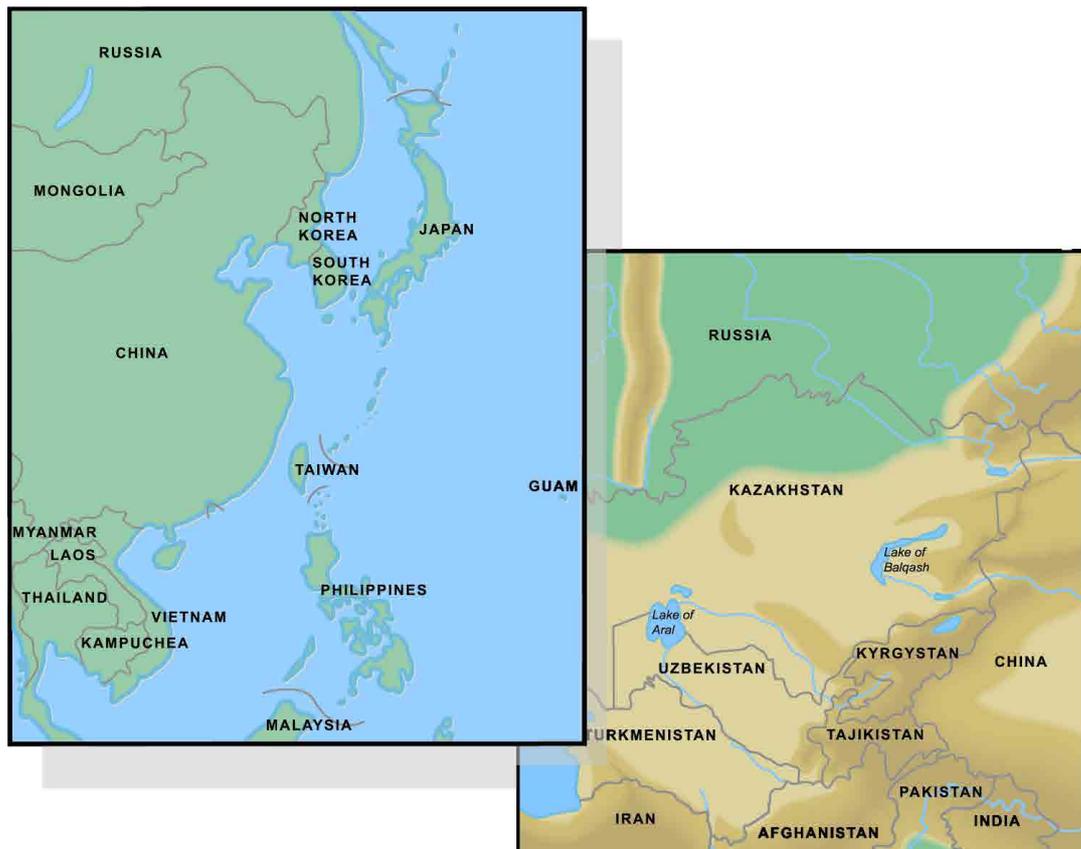


Editor: Ingolf Kiesow

Co-authors: Ingmar Oldberg, Lena Jonson, Oscar Schlyter, Pål Jonson,
Emma Sandström

From Taiwan to Taliban; Two Danger Zones in Asia



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Abstract (not more than 200 words) <p>The end of the Cold War has not resulted in a détente in Asia. Most burning is the ambition of China to incorporate Taiwan, which is opposed by USA. This conflict is reinforced by the desire of USA and neighbouring countries in Asia to keep the sea-lanes open on one hand and China's claims on the South China Sea on the other hand. China's modernisation of its nuclear arsenal and the U.S. programme for a Ballistic Missile Defence also reinforces the conflict of interests. China's accession to the WTO is working in the World Trade Center on 11 September 2001 and the ensuing American war against terrorism has changed the strategic picture of Central and South Asia. Politically fragile states in Central Asia are facing more complicated problems because of the American presence only on its eastern side. The antagonism between the two nuclear powers of India and Pakistan increases, while USA tries to maintain good relations with both of them. China is traditionally supporting Pakistan.</p>		
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Sammanfattning (högst 200 ord) <p>Det kalla kriget har inte medfört en avspänning i Asien. Mest brännande är att Kinas ambitioner att inkorporera Taiwan möter motstånd från Taiwan och USA. Denna motsättning förstärks av USA:s och asiatiska grannländers vilja att hålla sjövägarna öppna å ena sidan och Kinas anspråk på Sydkinesiska havet å den andra. Kinas kärnvapenmodernisering och USA:s program för ett ballistiskt missilförsvar förvärrar motsättningen. Kinas inträde i WTO verkar i motsatt riktning och ökar ytan för fredliga kontakter med USA. Attacken på World Trade Center den 11 september och USA:s krig mot terrorismen har förändrat den strategiska bilden i Centralasien och Sydasiens. Politiskt sköra stater i Centralasien utsätts för ökat tryck genom USA:s närvaro. Kina har fått amerikansk trupp stationerad på sin västra sida efter att tidigare bara ha mött amerikansk närvaro på sin östra sida. Motsättningen mellan kärnvapenmakterna Indien och Pakistan hårdnar, medan USA söker ha goda förbindelser med dem båda. Kina stöder traditionellt Pakistan.</p>		
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Executive summary

Global spending per capita has decreased, as a consequence of the end of the Cold War, from USD 298 in 1985 to USD 133 in 1999 (calculated in 1999 constant prices). The “Peace Dividend” is obvious, when seen in the global perspective.

In Asia, however, there is hardly any such dividend at all. Per capita military spending was USD 67 in 1985 and remained on the same level: USD 69.3 in 1999. This development has to do with developments in the Taiwan issue, the American Chinese relations, the Ballistic Missile Defence issue and the South China Sea issue.

After the restitution of Hong Kong, the "reunification" of Taiwan became a more prominent task in Chinese declarations and speeches. They seemed to indicate an ambition by the president of the People's Republic of China (PRC), Jiang Zemin, to appear in history as the leader who managed to reunify all of China. Especially after the restitution of Macau in 1999, Taiwan became the only remaining symbol of the humiliations from the colonial era. Chinese leaders said more often that it was worth taking the risk of using military force, if necessary.

The seemingly more urgent Chinese attitude results in some advisers arguing for the U.S. presidency to abandon the established doctrine of “Strategic Ambiguity” in the Taiwan question (i.e. basically unwillingness to declare assured military response by the United States in case of a Chinese attack on Taiwan).

The Taiwan issue raises some questions for the future: What will be the development of Chinese and Taiwanese economic and military strengths in the future? Will Taiwan be able to defend itself alone? Will the support from the United States continue to be dependable? What can Taiwanese leaders do to prepare simultaneously for the two possible outcomes (continuation and disruption of the U.S. protection)?

The sea-lanes in the Western Pacific are becoming potentially less safe for the allies of the United States, if China is going to attack Taiwan. At the same time trade across the Pacific is rapidly becoming much more important than trade across the Atlantic. USA is also shifting its attention in military matters to this region.

Ballistic Missile Defence (BMD) has become an important issue in the discussions about the U.S.-Chinese relations. The U.S.-Japanese relationship is developing into a more regionally based entity by the introduction of the BMD issue, including South Korea, Taiwan and Australia in a type of co-ordinated defence system, informal and yet co-ordinated.

The WTO association of China (and Taiwan) is a part of a grand strategy, an ambition to reshape the whole Chinese society. The basis shall be laid for an economic system based on market-orientation and opening to a globalised outside world. A great deal of that work has already been carried out and has an important impact on the Chinese society.

The probability of China modernising to the point where it becomes an integrated part of the international community will be best, if China becomes an operative member of the WTO and not just a formal member of the organisation.

The rulers in Central Asia are facing unrest from orthodox Sunni Muslim movements. In Russia, the problem is also being felt in connection with the uprising in Chechnya, where Islam is used to reinforce nationalism. In both South Asia and Central Asia the advances of Taliban in Afghanistan have raised the risk-level.

Today, after the fall of Kabul, a coalition of non-Taliban leaders has been created. However, effective administration, law and order and peace are likely to take more time to achieve. China has been much more reserved than Russia in supporting the American coalition against terrorism. Whether America will withdraw completely or remain in some sort of alliance with one or several states in Central Asia must be a matter of concern for China.

The relations between India and Pakistan have worsened to the point where there is a risk for war. Both countries possess nuclear weapons. The efforts of USA and others aim at keeping the peace between them. The countries in Central Asia and Russia also feel the changes brought by the presence of a new superpower in the region.

Introduction

The importance of Asia is increasing in economic affairs and even more so are strategic issues in Asia becoming of global importance. The trend of globalisation make events in faraway countries in Asia more frequently of consequence for a politician, journalist or strategic researcher in Europe, but background knowledge about these countries is often scanty or insufficient. This book has been edited with an ambition to be of help in that respect. It is intended to be available (on the web) for anyone who feels a need for a rapid introduction to the most important issues of security policy in Asia.

That ambition makes it a handbook in one sense of the word but not in other respects. It has, for instance, not been made as a collection of systemised facts into catalogues with tables and numbers. For that purpose, the reader is advised to consult the Yearbook on the Strategic Balance by the International Institute for Strategic Studies in London or The Yearbook of the Stockholm International Peace Research Institute.

“*From Taiwan to Taliban*” is the first product of the Asia project at the Swedish Defence Research Agency, published in English. The purpose of the project is to create an instrument of reference, two or three books where a politician, journalist or administrator can find a basic introduction to the major issues in Asia that have a potential to develop into a serious conflict – and then to keep these books updated.

The original intention was to begin with a book covering all of East Asia, but some preparatory work was initiated as well on Central and South Asia. During a study trip to Central Asia in December 2000, it became evident that militant Islam and the lack of systematic information about the socio-economic conditions merit more attention than it has generally been paid. An effort was made to gather more knowledge about the socio-economic factors that affect the security situation of the countries of Central Asia and that work continued simultaneously with the research on East Asia.

Then the attack on the World Trade Centre in New York on the 11th September 2001 became a reason for deviating from the original plan. The work on Central Asia was accelerated. As a result, this book consists of two parts, one about the Western Pacific (that still lacks the chapters about the issue of the divided Korea and about Japan’s role in the region) and one about Central Asia.

Next to follow will hopefully be reports on India, Kashmir and Pakistan, about Japan and the divided Korea and finally about South East Asia, all within a three years’ perspective.

The character of this book being one of an introduction has some consequence for its disposition. The text does not contain much “academic” material in the form of discussion of theories of political science. Moreover, in the three chapters about Taiwan and the South China Sea, the editor has made an effort to present a personal perspective on the events during the last decades, based on his efforts to follow events from diplomatic posts in the region and from first hand sources in the region. He has done so in an effort to try to understand how the different sides see the matter and not to formulate any opinion or theory.

Consequently, much of the text is only supported by references to newspaper articles and that is done to make sure that what is said is being related to the right timing and to the facts that

were available when the events took place. The rest of the chapters in the book, both those written by the editor and by his colleagues, are created with a more usual methodology, although an effort has been made to keep the text as free as possible from theoretical reasoning.

A special emphasis has been made to describe developments during the last four or five years, the reason being that any person who looks for a reference will try to relate that to what he or she already knows. In the memory of most people that knowledge is usually limited to events during the last few years. Earlier periods of history are dealt with in a less comprehensive way. Hopefully this limited ambition does not render the effort worthless.

The co-authors are introduced as follows:

Ingmar Oldberg is an Associate Director of research at the FOI and a Russia specialist, who in recent years has focused on Russian foreign policy and regional problems; so far mainly in the Western direction. He has written the article “*Towards Alliance? Russia’s relations with China in an international context*”.

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The Editor is leader of the Asia project at the FOI and an Ambassador in the Ministry for Foreign Affairs in Stockholm. He has published books about security policy matters in Asia and the Middle East. His articles in this book have the following titles:

“*Ballistic Missile Defence in Asia*”.
“*China, Taiwan, USA and the South China Sea*” and
“*Peaceful co-existence and/or military competition in the Western Pacific?*
Economists versus military strategists on WTO, BMD and related issues”.

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PART ONE

The Western Pacific

Summary part one

An end to the Cold War?

The Cold War never really ended in Asia. All that happened was that the clashes of strategic interest between Russia and the U.S. in the Far East lost their importance. Both in Europe and in the U.S., Russia is generally thought of as a part of Europe - and so it is. Most of its people live in the European part of the country – but Russia is also a part of Asia, and that factor is of increasing importance. Most of Russia's territory lies in Asia and most of its nuclear arsenal is located in its Asian parts. It has most of its energy resources in Asia. Today some of its more serious domestic security problems emanate from its Asian parts.

After the end of the Cold War, Russia's role became very different from what had been the role of the Soviet Union. It became a more constructive role for stability in the region, but there remain some problems in relation to China, Korea and Japan. Moreover, two of the most serious unresolved issues from that period still remain just as serious as they were then, namely the Taiwan issue and the issue of divided Korea. The third most dangerous conflict in the world, the Kashmir-question between the two nuclear-armed states of India and Pakistan remains as unsolved as ever before.

Russia, China and Asia

Taking the July 2001 Russian-Chinese friendship treaty as a starting-point the author of the article in this issue poses the question whether this signifies the emergence of an alliance against the West. Analysing the political, military and economic relations, the conclusion is made that the mutual relations have indeed improved since the late 1980s by military withdrawals and reductions, particularly on the Russian side, by border agreements, Russian arms export and increased border trade. Russia and China also developed co-operation on some international issues such as fighting separatism and Islamic extremism. Both powers opposed U.S. hegemony in world affairs and its influence in Northeast Asia.

Yet the relationship was burdened by mutual distrust and power ambitions. Russia was the former superpower, which suffered a protracted economic crisis in the 1990s, and the relations with China were used to retain Russia's special status. Most Russians feared that border trade would lead to massive Chinese immigration and an eventual takeover in its eastern parts. Especially the military feared that Russian arms export to China served to strengthen a future enemy.

Meanwhile China, the most populous country on earth, had rapid economic growth and aspired to a leading position in Asia and the world. In the 1990s Chinese officials took a rather condescending and arrogant view of the faltering Russian neighbour. Both states were in fact more interested in developing their relations with the Western states, which had more to offer in economic terms. Both were competing for influence in third countries, such as in Central Asia, Southeast Asia and Korea. Both wanted investments from Japan, though alliances with it were impossible. The Chinese influence in Northeast Asia grew at the expense of Russia.

Russia is mainly a European state, and the needs of the vast Asian parts cannot be expected to dominate its foreign policy. China on the other hand seemed more reluctant and keener in co-operation with third world states on the issue of terrorism. The problem now does not appear to be the emergence of a military alliance between Russia and China, but the isolation of China, which may lead to xenophobic reactions and a military build-up.

Ballistic Missile Defence (BMD)

Already several years ago, China embarked upon a strengthening of its nuclear arsenal, seemingly with the aim to become another superpower and a real challenger to "American hegemonism" in Asia. The build up of conventionally armed Short Range Ballistic Missiles (SRBMs) is increasingly troubling Taiwan and the U.S. on China's side of the Taiwan Strait. The United States is not showing any sign of withdrawing its military forces from the Western Pacific. It rather tries to protect its military presence by the introduction of Theatre Missile Defense system (TMD) and its own National Missile Defense system (NMD).

At the beginning of the new millennium, there has emerged a new dimension to the issue of ballistic missile defence in the American defence debate, and that is the tendency to point openly at China as a possible adversary. China and the modernisation of China's nuclear force are now more openly than in earlier Anti-Ballistic Missile defense (ABM) debates being pronounced as the real reason for the building of an American missile defence system. An increase in the strength of the American effort to create a "shield" is likely to lead to the beginning of an arms race around the Western Pacific, unless China and USA can agree on measures to limit the mutual arms build-up that is already being planned by both sides.

The Taiwan issue

The Taiwan issue, or the issue of the Taiwan Strait, as it is often called, cannot be understood easily. There are apparent contradictions in the way of seeing the problem on both sides of the strait, but most obvious is how differently the same fact can be interpreted by the Mainland and Taiwan respectively.

The use of nuclear weapons by China against its "own Chinese population" on Taiwan is not expected, but a great number of conventionally armed short-range missiles are deployed on the Chinese side of the straits between China and Taiwan. They have most of Taiwan within their range. China is also showing other signs of preparing for a possible use of military means for incorporating Taiwan into its own territory - and it is insisting on its right to do so. Observers in both the U.S. and Asia agree, however, that it will take many years, until China can achieve a military capability to invade Taiwan without a long and bloody war with uncertain consequences.

When handling any crisis in the Taiwan question, the U.S. president will have to keep in mind another consideration: Showing weakness in helping Taiwan to maintain its integrity may have an impact on Japan's military posture. It may be interpreted in Japan as a sign of general weakness in the will to use military means in protecting American clients. That, in its turn, could create a tendency in Japan to go it alone. Also in China this prospect will be seriously considered as part of the calculation of the pros and cons for the use of military

means. It is not in the interest of China to have such a militarily strong competitor in the Western Pacific as Japan.

There are more factors that work in the direction of conflict-prevention in the Taiwan Strait. The Chinese leaders have already carried economic reforms so far in the direction of opening China to international trade that 20 per cent of China's GDP is being exported. That means increased dependence on the outside world and more caution in handling international relations. Improved international trading conditions constitute one way for the Chinese leaders to promote progress and prosperity. On the other hand, a conflict with America would eliminate the advantages gained by the open-door economic policy.

The South China Sea issue

During the last three decades, China's attitude has become more insisting in claiming rights to islands in the South China Sea, i.a. the Spratly and Paracel islands. These islands are at present in the possession of other countries, mainly Vietnam and The Philippines.

In 1997, the so-called guidelines for the implementation of the U.S.-Japan Security Treaty were renewed. An addition was made, enabling the U.S. to request assistance by Japanese Self-Defense Forces in case of an armed conflict in Japan's neighbourhood. This has caused opposition from China.

Towards the end of the 1990s, the People's Liberation Army (PLA) was given resources for technical modernisation. In the military field, new weapons were developed and deployed in a way that gave the outside world an impression that China was preparing a capability for power projection far out at sea.

The WTO issue and the BMD issue represent two opposite trends.

The economic changes, which were initiated in China toward the end of the 1970s, had to start from a centrally managed command economical system. Slowly, focus was shifted to also furthering growth in the private sector. The gradual reforms were described with a Chinese proverb "to cross the river by touching the stones".

However, there are a number of domestic complications in China. The economic reforms that have made it possible for China to apply for membership in WTO are so far reaching that they cannot possibly be carried through without painful reforms and pauses. Painful experiences have certainly been many, not least in connection with the moderate slow-down caused by the economic Asia-crisis, which was experienced even in China, but more still in connection with accumulated impact caused by the changes. It is true that underemployment in the Chinese countryside is a phenomenon, which has existed since times immemorial, but the deterioration is such that it can cause a potentially dangerous situation.

To the instability caused by the socio-economic development in China is added the instability in the American-Chinese relations caused by mutual suspicions. Reports have appeared during the last years about new PLA projects and budgetary allocations for projects aiming at information warfare, development of new "smart" weapons, new types of missiles and even

MIRVs (Multiple Independently Targetable Re-entry Vehicles). There were also reports on new missiles suited for fighting (American) aircraft carrier groups and laser weapons for eliminating (U.S.) satellites.

It seems to the Americans that the China- U.S. military relations have entered into a new phase. China has made it clear that it now prefers a "hollowed out" U.S.-Japan security alliance to the stronger alliance envisioned in the 1997 U.S.-Japan Joint Defense Guidelines. The U.S. sees increasing risks for its allies, including Japan, Taiwan, Korea and Australia to be intimidated by the Chinese military build-up, regardless whether this build-up can be a threat to the American continent.

THE WESTERN PACIFIC



ARTICLE No 1

**Towards Alliance? Russia's Relations with China in an International
Context.
By Ingmar Oldberg**

Abbreviations

ABM	Anti-Ballistic Missile
APEC	Asian-Pacific Economic Cooperation
APR	Asia-Pacific Region
ASEAN	Association of South East Asian Nations
EU	European Union
NATO	North Atlantic Treaty Organisation
NMD	National Missile Defense
OSCE	Organisation for Security and Cooperation in Europe
UN	United Nations
WTO	World Trade Organisation

Russia in the East Asian context

Russia always felt as a Eurasian country. We never forget that the main part of Russian territory lies in Asia. /.../ In recent years Russian foreign policy has made a decisive turn towards the APR (Asia-Pacific Region).

Russian President Vladimir Putin wrote these words before participating in a meeting with the Asian-Pacific Economic Cooperation (APEC) organisation in Brunei in November 2000.¹ They reveal something about the role of Asia in Russian foreign policy and thinking. In fact the Russian part of Asia (Siberia and the Far East) is bigger than any other state in Asia, and the borders there are the longest. A predominant part of Russian natural resources are located east of the Urals.² Even after reductions, Russia still has more nuclear weapons in Asia than any other state, and this alone makes it a major military power there.

On the strength of such facts and historical traditions Russians often consider themselves as specific and different from Europeans³. Many researchers and politicians thus claim Russia has a Eurasian mission as a geopolitical, infrastructural and spiritual bridge between Europe and Asia.⁴ Russian leaders also understand the enormous and growing importance of the APR.⁵ In connection with its own transition to market economy and democracy, Russia has since the 1990s intensified its efforts to profit from and play a role in the region. Thus Russia became a member of the ASEAN Regional Forum in 1993 and the APEC in 1998 and proposed the creation of an Asian security organisation like the OSCE in Europe. Bold ideas of economic cooperation, including oil and gas exports as well as foreign investments in Russia, have been launched (More on this later.)⁶ For example, Putin in 2000 pointed out to APEC states the advantages of container transport between Europe and Asia on the Trans-Siberian railway, of air transit to North America across Russia, and even the Northern sea route, and pinned hopes on exporting reactor technology.⁷ At another APEC summit in 2001 Russian participants praised cooperation regarding the development of oil and gas resources on Sakhalin.⁸

However, the Russian share of trade in APR trade is so negligible that a high politician in 2000 admitted “economically, they do not know us in Asia ”.⁹ As will be shown Russia’s

1 *Nezavisimaia gazeta* (NG), 14 November 2000.

2 68 % of Russia’s production, 92 % of gas, 80 % of coal (Titarenko, Mikhail and Mikheev, Vassilii (2001) 'The Asia-Pacific Region and Russia', *International Affairs*, No. 3, p. 63).

3 Hauner, Milan (1992) *What Is Asia to Us?* (London and New York, Routledge); Oldberg, Ingmar (1997) 'Russia, Europe and Asia: A historical outline'. In *Priorities in Russian Foreign Policy: West, South and East?* (Oldberg, Ingmar ed.) (Stockholm, Swedish Defence Research Establishment), pp. 9 ff.

4 Titarenko, Mikhail and Mikheev, Vassilii (2001) 'The Asia-Pacific Region and Russia', *International Affairs*, No. 3, p. 39.

5 60 per cent of the world’s GNP, 50 per cent of world trade, and 40 of its population according to Putin in NG, 15 September 2000.

6 Titarenko, Mikhail and Mikheev, Vassilii (2001) 'The Asia-Pacific Region and Russia', *International Affairs*, No. 3, pp. 64 f.

7 NG, 14 November 2000. See also NG, 15 September 2000, *NG Dipkurer*, No. 19, 7 December 2000, p. 4.

8 BBC Monitoring Global Newslines, Former Soviet Union Political File (2001) (BBC) Address: [E-mail version](#), 18 October 2001 (ITAR-TASS).

9 Ramazan Abdulatipov, former deputy prime minister in NG, 15 September 2000. According to him Russia held 3-4 per cent of the region’s GNP and foreign trade.

economic weakness and policy did not make it an attractive partner in Asia.¹⁰ Even in Russian foreign trade, the share of Asia and the APR is small, though it is vital for the Asian part of Russia.¹¹

Russian officials also realise that the political and economic unification of Asia has not reached so far as in Europe and that there are important conflicts and divisions among the major Asian states. Some observers for those reasons even question the meaningfulness of the concept 'Asia-Pacific Region'. Furthermore, East and particularly Southeast Asia ran into a severe and protracted economic crisis in 1997, which for some time dashed Russian hopes for export chances and foreign investments.¹² This contributed to Russia's natural interest in focusing its security and foreign economic policy on its nearest and most important neighbours in Northeast Asia, namely China, Japan and the two Koreas.

Among these China is of paramount interest to Russia for several reasons. It has the biggest population in the world with over 1.2 billion inhabitants and its area is second only to the Asian part of Russia. In Soviet times the common border was the longest in the world, and even now it is among Russia's longest ones.¹³ China also has the biggest army in the world, armed with nuclear weapons. The Chinese economy has seen substantial growth in the last decades so that its GNP now ranks second in Asia (after Japan) and is five times bigger than Russia, as President Putin himself noted in 1999.¹⁴ China was little affected by the economic crisis in the surrounding states. Thus there are ample reasons to focus an analysis of Russia's East Asian policy on China.

Towards an alliance with China?

The most spectacular event in Russian-Chinese relations in recent time was the signing of a Treaty on Good-neighbourliness, Friendship and Cooperation in July 2001 for the duration of twenty years. According to Putin it opened up a fundamentally new stage in the relations.¹⁵ Analysing the background and reasons behind this treaty, Professor Stephen Blank at the U.S. Army War College identified shared geopolitical, economic and ideological interests in both states. He concluded that an alliance, a new stage of relationship beyond partnership and coordination, was taking shape, having strong military reverberations throughout East, South and Central Asia.¹⁶ The obvious question then is whether the treaty itself and the developments around it warrant such words.

This question will be analysed by first looking into the closely intertwined political, military and economic dimensions of the Russian-Chinese relations since the 1990s. Then attention is

¹⁰ Thus Putin wanted foreign investments for the modernisation of the Trans-Sib and cooperation concerning reactor technology. Russian fees for air transit across Siberia is a recurrent irritant in its relations with the EU.

¹¹ 20, 10 and 90 per cent, respectively in 1997 according to Umbach, Frank (2000) 'Russia's strategic and military interests in North and South East Asia'. In *The Russian Armed Forces at the Dawn of the Millennium* (Crutcher, Michael H. ed.) (Carlisle Barracks,, United States Army War College), pp. 295, 303.

¹² Titarenko, Mikhail and Mikheev, Vassilii (2001) 'The Asia-Pacific Region and Russia', *International Affairs*, No. 3, pp. 61 ff; *NG*, 14 November 2000.

¹³ East of Mongolia, 3600 km, west of it 40 km. The border on Kazakhstan is now the longest.

¹⁴ *Nezavisimaja gazeta*, 30 December 1999.

¹⁵ BBC, 16 July (Moscow TV 6), 17 July 2001 (Xinhua, 16 July)

¹⁶ Blank, Stephen (2001) 'Towards alliance? The strategic implications of Russo-Chinese relations', *National Security Studies Quarterly*, No. Summer 2001, p. 1, 34 f.

turned over to the degree of foreign policy cooperation by the two countries vis-à-vis third parties in the surrounding world. Using these complementary approaches evidence for and against the emergence of an alliance is examined.

Looking into recent history for support of the proposition, it is an indisputable fact that Russian political relations with China have improved significantly since the 1980s. President Mikhail Gorbachev paid the first Soviet top-level visit in 30 years to Beijing in 1989 (right before the Tienanmen massacre) and Russia's President Boris Yeltsin started a regular exchange of official visits in 1992, leading to what was soon called 'constructive partnership'. In April 1996 heads of state Boris Yeltsin and Jiang Zemin agreed on building a 'strategic partnership' – a concept that became a catchword for the relation. Together with Kazakhstan, Kyrgyzstan and Tadjikistan they also signed an agreement on confidence building measures in Shanghai,¹⁷ which soon developed into the so-called 'Shanghai Five' and became the Shanghai Cooperation Organisation in 2001. (More on this below and in other chapters). Yeltsin's last foreign trip in December 1999 went to Beijing, and a coincidence or closeness on principal and concrete topical questions was announced.¹⁸ Yeltsin's designated successor Vladimir Putin intensified the relationship by paying and inviting more visits and signing the friendship treaty.

As for the contents of the treaty, the parties pledge to develop relations of good neighbourliness, friendship, cooperation, equal and trustful (*doveritelnoe*) partnership and strategic cooperation, including mutual non-aggression, non-interference, equality and mutual benefit and peaceful co-existence. They promise not to use or threaten with force, not to use economic or other means of pressure, not to use nuclear weapons first or aim strategic weapons against each other. They must not participate in any unions or blocks, reach agreements with third parties damaging the sovereignty, security or territorial integrity of the other, or allow the use of their territories by third countries against each other. If any party sees a threat to peace or to itself, the parties will consult each other in order to eliminate the threat. Both sides hailed the treaty as a new stage of relations, legally confirming the idea of being "friends for ever and never enemies".¹⁹

However, it should be noted that both the treaty and comments on it emphasised that it is not directed against any third party, and the words 'alliance' and even 'strategic partnership' are avoided, apparently on Chinese insistence. While Russia often has talked about strategic partnership with China and forming alliances, China has rejected alliances on principle, instead stressing the principle of self-reliance.²⁰ Clearly, the treaty does not provide for mutual, let alone military, assistance in case of threats, at most amounting to negative security guarantees and benevolent neutrality.²¹ Some pledges such as on non-aggression and refraining from threats have been made before, so the main novelty is that precisely these states signed a formal treaty.

¹⁷ Jarlsvik, Helén (1999) 'Partnership in the East: Russia's Compensation for NATO's Eastern Expansion?'. In *At A Loss. Russian Foreign Policy in the 1990s* (Oldberg, Ingmar ed.) (Stockholm, FOA), pp. 95 ff.

¹⁸ *RG*, 11 December 1999. In June 1999 Foreign Minister Igor Ivanov said the parties shared a common view on almost *all* international problems. (BBC, 4 June 1999 (ITAR-TASS, 3 June), so also *ibidem*, 2 March 2000 (Interfax 29 February)

¹⁹ BBC, 17 July 2001 (Xinhua, 16 July); www.ln.mid.ru/WEBSITE 18 July 2001

²⁰ Blank (2001), p. 24 ff.

²¹ Blank (2001), p. 22.

Further, despite these non-committal clauses the parliamentary assemblies considered the treaty important enough to require ratification, and both parties promised a speedy process. However, this runs the risk of being subjected to influence from subsequent events, which may be a problem as will be seen below. At the end of November 2001 the Russian Duma had still not ratified the treaty.

The importance of the treaty is also undercut by the fact that both parties have friendship or partnership agreements with other states. Russia has proclaimed it with a number of CIS states and a union with Belarus, and China has a strategic partnership with Belarus, too.²² More importantly, as will be analysed separately below both Russia and China have proclaimed partnership with Western states.

Further, Russia has close relations with India since Soviet times, and in October 2000 they signed a declaration on strategic partnership. At least since 1998 Russia has proposed a strategic triangular alliance directed against U.S. hegemony and NATO, to which also Iran and Belarus could be added, and to include India in the Shanghai Cooperation Organisation.²³ The problem is that even if China is interested in cooperation against Muslim fundamentalism and has improved relations with India, the states are old enemies, who even fought a border war in 1962. China has close relations with Pakistan, India's archenemy, and may even have helped it to develop its nuclear weapons. Russia may want to be the arbiter and connecting link between the two giants, in that way boosting its waning power, and to earn arms export money from both, but they are likely to resent this and distrust Russian loyalty.²⁴ Russia's relations with India are also restricted, since India in recent years has warmed considerably in relation to the United States, which has also become its main trading partner.²⁵

Furthermore, Russia has revived its relations with Vietnam, with which China has complicated relations and in 1978 even fought a short border war. Visiting Vietnam in March 2001 (the first Soviet/Russian head of state visit in 50 years) Putin signed an agreement on strategic partnership also with that country.²⁶ It long maintained a naval base at Can Ranh Bay.²⁷ Finally, Russia and China also have differing interests with regard to Japan and Korea, a question that will also be dealt with separately below.

Summarising the above-mentioned political aspects of the Russian-Chinese relationship, one must conclude that even if the friendship treaty formalised the improvements of recent years, the relations have several limitations, are not unique and must be seen against an international background, including military and economic factors. The latter will be addressed next.

²² BBC, 23 April 2001 (Interfax).

²³ BBC, 7 October 2000 (ITAR-TASS, 5 October); Blank (2001) pp. 19 ff.

²⁴ *Izvestiia*, 22 December 1998. *Moscow News*, no. 50, 1998, no. 3, 2001.

²⁵ *Asian Wall Street Journal*, 1 October 2001, *IHT*, 30 January 2001.

²⁶ *Segodnia*, 2 March 2001; "Igor Ivanov's Asia tour", 14 February 2000, NUPI Centre for Russian Studies Database Norwegian Institute of International Affairs, Last updated: 23 October 2000, Address: www.nupi.no/cgi-win/Russland (RFE/RL Newswire)

²⁷ However, in October 2001 after joining the U.S.-led antiterrorist coalition and before a visit by Putin to China, Russia decided to shut the base down, which can be seen as a gesture both to China and the USA, since a signal intelligence base in Cuba was closed at the same time.

Ambiguous military relations

In the friendship treaty Russia and China promised to promote confidence in the military area and reduce military forces in the border region on the basis of former agreements, safeguard their own security on the basis of reasonable sufficiency, and conduct military and military-technical cooperation.

Indeed, ever since Gorbachev's *I* initiatives in the late 1980s, Soviet/Russian troops and armaments near the Chinese border were reduced and totally left Mongolia in 1992 (except for intelligence).²⁸ In the negotiations, where also Kazakhstan, Kyrgystan and Tadjikistan were involved after independence, China first insisted on withdrawals 300 km on both sides of the border, which would cause Russia huge costs and problems, since its military forces and the infrastructure are located along the border, and Russia in some parts would have to withdraw into difficult terrain and behind the vital Trans-Sib railway. But in 1992 the parties agreed in principle on a 100 km border zone, though not on which and how many troops to pull out. In Shanghai 1996 the 4+1 states signed an agreement on confidence-building measures, including non-aggression, pre-notification of and observers at exercises in the border zones. A year later Russia and China finally agreed to restrict the pullouts to regular troops, excluding naval, air, strategic or border troops.²⁹ Military exchange between Russia and China also increased. For example, a joint naval exercise was held in 1999.³⁰

The most spectacular and important aspect of the military relations was the fact that Russia exported sophisticated weapons and equipment to China on a large scale. Russia has for example sold T-72 tanks, S-3000 surface-to-air missiles, armoured infantry vehicles, one aircraft carrier (as 'scrap'), four (conventional) *Kilo* submarines and two *Sovremenny* destroyers. 70-100 Su-27 fighters have been sold, and more are to be produced under license in Shenyang, and 50 Su-30s are to be delivered by 2002. In the strategic sphere Russia is reported to help developing attack and missile submarines, to deliver control and guidance systems from its SS-18 and SS-19 intercontinental ballistic missiles (ICBM), nuclear-capable SS-N-22 anti-ship missiles, parts for mobile SS-24 and SS-27 ICBMs, an AWACS air-borne radar programme, and command and control systems. Russia provides China with rocket technology, offers space cooperation and production of laser systems. In 2000 a five-year military contract worth up to USD 20 billion was signed.³¹

²⁸ In 1987 Gorbachev decided unilaterally to destroy 180 intermediate-range ballistic and 256 other missiles in East Asia, and in 1989 to withdraw 250,000 men from the Far East. However, China had to countenance that thousands of heavy weapons were transferred from Europe behind the Urals as a result of the 1990 treaty on conventional forces in Europe (CFE). Petro, Nicolai N. and Rubinstein, Alvin Z. (1997) *Russian Foreign Policy. From Empire to Nation-State* (New York, Longman), pp. 197; Umbach (2000), p. 277.

²⁹ This meant a reduction of 15 per cent to a maximum of 130 000 men, 3810 tanks and 4500 armoured vehicles by May 2002. (Umbach (2000), p. 282, Jarlsvik (1998), pp. 103 f; Petro (1997), pp. 194 ff.

³⁰ Glaubitz, Joachim (2001) 'Russland in Ostasien - Streben nach Einfluss und Mitsprache', *Osteuropa*, No. 4-5, 592; Umbach (2000) p. 270.

³¹ Blank, Stephen (2000) *The Strategic Context of Russo-Chinese Relations* (Sandhurst, Conflict Studies Research Centre), pp. 8-10, Umbach (2000), pp. 287 ff, Chun, Hongchan (2000) 'Russian Security Policy in East Asia'. Conference proceedings from 6th ICCEES World Congress, (Tampere, 29 July-3 August), p. 7; *Moscow Times*, 17 August 2001. International Institute of Strategic Studies *The Military Balance 2000-2001* (London, Brassey's), p. 183.

This military cooperation served common strategic interests vis-à-vis the USA and can be seen as a response to the U.S. plans to build national and theatre missile defences, which was deemed to disrupt the old terror balance. (More on this below and in other chapters.) For China, Russian weapons and equipment had the advantage of fitting in with the old force structure still dominated by weapons of Soviet manufacture or design. Western countries had also laid an embargo on arms sales to China after the Tienanmen massacre, so China had few alternatives.

For Russia, arms exports became vital for the survival of the defence industry, when its own Ministry of Defence could not pay, and China played an important role in this.³² This export certainly also became a source of personal enrichment for some decision-makers. Russian analysts argued that China would not become a threat to Russia in the foreseeable future, and that China would not make itself dependent of imports from Russia if it regarded the latter as an enemy. It was also pointed out that China spent seven times less on defence than the United States and much less than Japan. Besides, it could be better for Russia to have insight and leverage on China than staying out.³³

However, there were widespread doubts and resistance to these agreements and deals with China. After all, Russia and China had very tense relations for several decades. In 1969 armed clashes had taken place by the border and Russia contemplated a pre-emptive or even preventive nuclear attack. Half a million men were located along the long border and in Mongolia with all kinds of weapons. Even if China then accepted a 100 km withdrawal zone, it was Russia that had to withdraw, since China had its ground troops deployed roughly 400 km from the border. Russia lacked strategic depth, since the Trans-Siberian railway runs close to the border and most of the population lives along it. However limited the withdrawals still caused problems and high costs, and they only became acceptable as part of the military reform, which aimed to reduce the armed forces and create mobile units. In case of conflict it would be very difficult to direct and reinforce the forces due to the enormous distances from Europe and the weak infrastructure in Siberia.³⁴

The withdrawals and arms sales must also be seen in the context of the general reduction of Russian military forces in Asia and elsewhere due to its economic crises throughout the 1990s. The armed forces in East Asia were reduced by more than half, especially the Pacific Fleet. The units became badly manned with low preparedness, few exercises, maintenance and social problems, and low morale.³⁵ In the meantime, the Chinese armed forces were maintained to a large extent and modernised as shown above. China seems bent on expanding

³² Exports accounted for 62 per cent of the industry's revenues in 1997, and China and India accounted for about three quarters in the 1990s. (Chun (2000), p. 7, Umbach (2000) pp. 286, 289; *Moscow Times*, 17 August 2001.

³³ Titarenko, Mikhail (2000) 'Russia in Asia', *International Affairs*, No. 2, p. 129, Blank, Stephen (2000) *The Strategic Context of Russo-Chinese Relations* (Sandhurst, Conflict Studies Research Centre), p. 9; Umbach (2000), p. 287.

³⁴ Maintaining a division in the Far East was estimated as three times more expensive than in Eastern Europe (Chang, Felix K. (1999a) 'The Unravelling of Russia's Far Eastern Forces', *Orbis*, No. Spring 1999, p. 274.) Keeping troops in European Russia was of course still cheaper.

³⁵ Umbach (2000), pp. 275 ff; Chang, Felix K. (1999a) 'The Unravelling of Russia's Far Eastern Forces', *Orbis*, Spring 1999, 264 ff: Some figures: Total armed forces 1989-2000: 4,258,000 to 1,004,000; (IISS; 1989-90, pp. 32 ff and *ibidem* 1999-2000, pp. 120 ff) in Asia-Pacific region in late 1980s: 1,2 m, troops in Siberian, Trans-Baikal and Far Eastern MDs end of 1999: about 100 000 (Umbach (2000) p. 276, 280) ICBMs 1989-2000: over 1451 to 776, tank divisions in Far Eastern MD: 3 to 0, Motor rifle divisions 1989-2000: 21 to 10, Pacific Fleet: Submarines: SSBNs: 24 to 5, tactical 84 to 11, principal surface combatants: 77 to 10 (IISS, 1989-90, pp. 32 ff and *ibidem* 1999-2000, pp. 120 ff.

its nuclear forces, not least in response to the U.S. NMD plans.³⁶ Thus the Russian qualitative superiority over China has been eroded.

The weakening of its conventional forces induced Russia increasingly to rely on nuclear weapons in case of war. The Russian military doctrines of 1993 and 1997 opened the possibility of first use, and most of the defence outlays were spent on the Strategic Missile forces. Western military experts estimated that about 1260 nuclear warheads remained in the Far East (1997).³⁷ Such is the background for the clause in the friendship treaty excluding first use of nuclear weapons.

Considering past experience and Russia's eroded power, many Russian officers, especially in the Far East, believe that China may become a threat in the future. Thus then Defence Minister Igor Rodionov in 1995 listed China among the main potential enemies (which he had to recant). Many in the military establishment are sceptical about the arms export upheld by the defence industry. Russia has tried to be restrictive about selling the most advanced weapons to China. As mentioned it has continued to give preference for its old ally India, with which China has tense relations. Almost two thirds of Indian weapons are Soviet or Russian origin, and about half of Russian arms export has gone to India.³⁸

China in turn has complained about Russian restrictions, prices and payment in hard currency, insisted on license production and made efforts to diversify its arms imports, e.g. by turning to Israel. European states like France, which did not feel threatened by China, have started to reinterpret their embargo policy and showed an interest in selling arms to China in recent years. Russian weapons technology would have a tough fight in competition with the West.³⁹ China has experience in reverse engineering since the 1960s, when it managed to continue and conclude the production of nuclear weapons after the Soviet 'advisers' left. It now tries to build up an independent modern military industry and may become a competitor to Russia in arms export. As noted above China has long provided weapons to Pakistan against India.

Thus even if the military cooperation between Russia and China has developed in the 1990s, there are underlying doubts and divergent interests, especially in the long run.

The border question in transformation

Another important security question in Russo-Chinese relations is that of the common border. In the friendship treaty, the parties noted the absence of border claims and expressed a resolve to transform the mutual border to one of "eternal peace and friendship". They vowed to continue the negotiations about unsettled sections and maintain status quo until the problems were solved.

³⁶ Umbach (2000), pp. 283 ff. Some figures 1989-2000: Total armed forces: 3,030,000 to 2,470,000, ICBMs: 8 to 20, tanks: 7,500-8,000, submarines: 93 to 65, , principal surface combatants: 56-60.(IISS, 1989-90, p. 146 ff, and 2000-2001, pp. 194 f.

³⁷ Umbach (2000), pp. 282 ff; Leijonhielm, Jan et al. (2000) *Rysk militär förmåga i ett tioårsperspektiv - en förnyad bedömning 2000* (Stockholm, Swedish Defence Research Establishment), R--00-01758-170--SE, pp. 128 f.

³⁸ *Moscow News*, no. 50, 1998, *RG*, 16 September 1999.

³⁹ Umbach (2000), pp. 286 ff; Chun (2000), p. 7 f.

Indeed, Russia and China have made much progress concerning the border question since the 1960s, when the Chinese leaders denounced the treaties of 1858 and 1860 as "unjust" and called the vast territory north of the present border "annexed Chinese land". Even though China did not officially claim it back, the strife over delimiting the border in the Ussuri River led to armed clashes and the brink of war. However, in March 1991 an agreement was reached over the demarcation of the eastern sector of the border (east of Mongolia), by which Russia accepted the international principle of dividing rivers according to the main water channel and ceded some 700 small islands. In 1992 another agreement was reached over the short western section.

True, a few islands in the Amur, Ussuri, and Argun rivers were left out for further negotiations, and nationalists in the Duma and local governors criticized the concessions. For example, the Primore governor Yevgeny Nazdratenko opposed giving up small land areas by the Tumen River, claiming they would enable China to build a port or even a naval base with access to the Sea of Japan, despite the shallowness of the river. He also pointed out that Russian soldiers from the battle against the Japanese in 1939 at Khasan were buried there.

But when the demarcation deadline approached in 1997, Russia yielded a few more islands. China accepted a compromise about dividing the Khasan area, and the parties agreed to allow the local population jointly to use the contested island for five years. At a meeting in November 1997 Yeltsin and Jiang Zemin declared the border question as solved.⁴⁰ The head of the Far East Institute in Moscow, Professor Mikhail Titarenko believes that China needs stable frontiers, claiming that it has regulated border issues with Korea, Japan, and India etc and now wants to settle problems through dialogue.⁴¹

However, the fact is that China has still not settled its borders with India and Kyrgyzstan and makes strident claims on islands and surrounding waters in the Sea of Japan and the South China Sea, which threaten Russian interests in free sea-lanes for its Far Eastern trade.⁴² Interestingly, the Russian firm *Lukoil* is producing oil in the Vietnamese section of the Spratly islands claimed by China.⁴³

Russia and China have still not agreed about the fate of three islands, one in the Argun and two near Khabarovsk in the Amur, which Russia insists on keeping, mainly for security reasons. Local Russians fear that the Chinese might change the river channel so as to get the islands. Many analysts also question whether the agreements are definite or only intended to freeze the situation until China feels strong enough to present its full demands.⁴⁴ The friendship treaty can be abrogated after twenty years. Dmitri Trenin at the Moscow Carnegie

⁴⁰ BBC, 10 December 1999 (ITAR-TASS, 9 December);Iwashita, Akihiro (2001a) 'The Effect of Local Russian Initiatives on Relations with China: Border Demarcation and Regional Partnership'. Conference proceedings from Winter Symposium, Slavic Research Center, Hokkaido University, Sapporo, pp. 3 ff, Iwashita, Akihiro (2001b) 'The Russo-Chinese 'Strategic Partnership' and Border Negotiations: Then and Now'. Conference proceedings from *ibidem*, , pp. 20 ff; Trenin, Dmitri (2001) *The End of Eurasia* (Moscow, Carnegie Moscow Center), Chapter Five, pp. 2 f; Jarlsvik (1998), pp. 99 ff; Umbach (2000) p. 291.

⁴¹ Titarenko (2000), p. 128.

⁴² Of course these unsolved problems could also be a motive for China to secure the Russian border. Titarenko and Mikheev (2001) p. 60, admit that there is a possibility of violence, though reduced, in the Spratly case.

⁴³ Umbach (2000), p. 297. Visiting Shanghai, Putin and the Vietnamese prime minister stressed the importance of this oil extraction, which may be seen as a slap to China. (BBC, 19 October 2001 (ITAR-TASS)

⁴⁴ Trenin (2001), p. 3; Umbach (2000), p. 269.

Center has pointed out that if the border problem is not solved completely, this could give the Chinese the chance to renegotiate the whole territorial settlement in the future. Furthermore, the Chinese ambition to regain territory lost to European imperialists in the 19th century, which finally led to the return of Hong Kong in 1997 and Macau in 1998, together with the hard pressure being applied on Taiwan make many Russians ask when the turn will come to the Russian Far East.⁴⁵

Most of all, the Russian threat perception concerning the security at the borders must be seen in the context of the demographic changes and the Chinese migration into Russia. While the conflict over border definitions has been very much reduced, the degree of border openness has become a vital problem. This will be analysed below in the context of the economic relations between Russia and China.

The promises of trade – the dangers of migration

The economic relations of course play a key role in Russo-Chinese relations, often acquiring a security dimension. In the 2001 friendship treaty Russia and China declared that they would develop their economic relations in many fields to mutual benefit and promote border and inter-regional trade according to national legislation. They would also co-operate in international economic organisations, and help each other to gain membership, if one of them is a member.

Indeed, ever since Gorbachev lifted the visa requirement and liberalised foreign trade in the late 1980s, Russian trade with China has developed significantly, not only with regard to arms export. In 1993 China was Russia's second largest trading partner after Germany. Even though the trade after that declined, it figured prominently at the summit meetings, and after the financial crisis in August 1998, the trade exchange rose to 8 billion in 2000, exceeding earlier levels, and for the year 2001 Putin expected an increase by over 40 per cent. The trade balance was also in Russian favour.⁴⁶ Intensified trade was probably favoured by the Russian economic growth after the August 1998 financial collapse as a result of rouble devaluation and high world prices on oil, gas and other raw materials, as well as by the increased political stability in Russia since Putin became president in 2000.

To some degree, the countries do have some complementary economic interests. Russia needs consumer goods, especially in the eastern parts, and wants to export power engineering, energy, and industrial goods including weapons, while China can provide the former and needs the latter.⁴⁷ Thus Russia and China launched big projects such as exploring and exploiting natural resources like oil, gas, coal, and timber. Plans were made on building gas pipelines from the Tomsk region to western China and from the Irkutsk region through Mongolia to Eastern China and onwards to South Korea. An oil pipeline from Irkutsk to Daqing in Heilong Jiang would reportedly boost trade by six billion USD a year.⁴⁸ In 1997 Russia was contracted to build the first Chinese nuclear power plant in the Jiangsu province,

⁴⁵ Trenin (2001), pp. 3-5.

⁴⁶ BBC, 17 July 2001 (*RG*, 17 July, Interfax, 16 July); Blank (1998) p. 346.

⁴⁷ Blank, Stephen (1998) 'Which Way for Sino-Russian Relations', *Orbis*, Summer, p. 345.

⁴⁸ Chang (1999b), p. 88, Jarlsvik (1998), p.p. 101 f; *Moscow News*, No. 33, 37, 2001, BBC, 30 August 2001 (ITAR-TASS).

and there is talk of creating an East Asian electricity grid.⁴⁹ China (as well as Japan and South Korea) are moving to reduce dependence on oil imports from the Middle East and to expand the use of natural gas, which Russia has in abundance.⁵⁰ With UN support the Tumen free economic zone was established to promote cooperation between Russia, China and North Korea.⁵¹

This trade became especially important for the Far Eastern regions, which were particularly hard hit by the transition to market and the ensuing economic crisis in Russia, despite their rich natural resources. Since these parts had been subsidised by the state and were not connected to the all-Russian power grid, industrial production in 1997 fell to 39 per cent of the 1990 level and power cuts were frequent. Border trade with China increased from almost nothing to about half the total. In the Far East trade with China grew to about 80 per cent of the total and probably saved Primore from starvation in the early 1990s. Many border towns thrived from trade with China.⁵²

In 1992 an agreement was reached on employing Chinese workers in Russia, and local authorities were allowed to issue licenses for enterprises for this. Tourists were allowed without visas if they entered in a tourist group. Chinese (and Korean) contract workers were appreciated because they worked hard and did not strike.⁵³ Professor Titarenko believes that no sustainable development in Siberia and the Far East is possible without cooperation with China.⁵⁴ Analysing a number of Russian, mainly eastern, border regions, the Russo-American political scientist Mikhail Alexseev found that migrants on the whole contribute to foreign investments, a dynamic, entrepreneurial work ethic and foreign trade. He suggested that the trend towards economic growth in Russia after 1999 combined with openness to migration would profit the Russian Far East.⁵⁵ Indeed, one may presume that a prospering Russia would attract more Chinese immigrants.⁵⁶

On the other hand, this immigration has become a major problem due to the demographic situation on both sides and its changes. The USSR was the third most populous state in the world, but Russia today has only 145 million. Despite an influx of migrants from ex-Soviet republics, Russia's population has dropped by about 750 000 a year in the 1990s as a result of the economic and social crisis, and according to prognoses it will lose 22 million, one seventh, until 2015. At the same time China's population of over 1.2 billion is growing despite strict measures to control it.

Nowhere is the contrast more striking as where Russia and China meet. 32 million live east of the Urals, 7.4 million in the Far Eastern regions and 2.2 million in the Primore krai, most of them in the southern belt along the Trans-Siberian railway, facing 70 million Chinese only in

⁴⁹ Titarenko (2000) p. 130, praised God for the reactor project. Russian optimists have talked about building 50 reactors (Blank (2000), p. 9.

⁵⁰ Chun (2000) p. 13 f.

⁵¹ Chang (1999b), p. 85.

⁵² Alexseev, Mikhail A. (2001) 'Globalization at the Edges of Insecurity'. Conference proceedings from *Russian regions in the new international security environment*, 6-7 July (Zürich, Eidbenössische Technische Hochschule), p. 27 mentions that shuttle trade, whose agents want to avoid control and taxes, may be three times larger than official trade between China and Primore.

⁵³ Jarlsvik (1998) pp. 100 f; Chun (2000) p. 1 f., Chang (1999b) pp. 84 ff; Trenin (2001) p. 4.

⁵⁴ Titarenko (2000), p. 131.

⁵⁵ Alexseev (2001) p. 33.

⁵⁶ *Moscow News*, no. 13, 2000.

the adjoining Heilong-jiang province. 63,000 Chinese on the other side confront each Russian per square kilometre along the common border. China's active labour force is growing rapidly and is expected to make up 70 per cent of the population near the border. The numbers of un- and underemployed in China far exceeds the whole Russian population.⁵⁷ To make matters worse, people east of the Urals have been moving to Western Russia since the early 1990s, so that the population is expected to decrease to 10 million in 2010. The population in the Far Eastern regions, which reached the high point of eight million in 1989, has fallen by 8 per cent.⁵⁸ Chinese officials are of course aware of the situation. There are institutes with hundreds of people studying Siberia and the Far East. A Chinese magazine is alleged to estimate the manpower shortage in those regions at 50-80 million.⁵⁹

When visas were abolished and border trade grew, the number of Chinese in Russia grew rapidly, albeit from a very low level.⁶⁰ In the mid-90s official Russian figures on the number of Chinese in the Far Eastern regions varied between 150,000 and two million. In 1999 up to 500,000 were estimated to enter every year, most of them on non-visa tourist exchanges, and over one million to be staying in Russia illegally. Chinese communities emerged in a number of Russian border towns.

All this evoked fears in Russia, especially in the eastern regions, that the Chinese gradually would take over or reclaim the regions. The Chinese were also accused of smuggling of valuable goods, drugs and weapons.⁶¹ Under pressure from the regions, Russia in 1994 therefore reintroduced visas in 1994, federal border controls were intensified, transport subsidies were withdrawn, and random inspections of visiting Asians were carried out in the Primore and Khabarovsk regions. The Chinese rarely got residence permits, and bazaars in the border towns were also restricted. In Primore, which was most exposed for geographical, historical and economic reasons, Governor Nazdratenko expelled large numbers of Chinese in 1994-1996 and recently called for the resettlement of five million Russians to offset the immigration. All this contributed to the fact that the trade with China declined dramatically in 1995, and Primore instead oriented its trade to the American west coast.⁶² Even in the Altai region opposite Xinjiang people were afraid that the building of a new road and an oil pipeline would bring massive Chinese immigration.⁶³

Still, the restrictions did not stop the influx and the trade then picked up again since both states wanted to promote it. China accepted that illegal immigration had to be controlled. The 2001-friendship treaty thus contained a clause stating that the parties cooperate in fighting illegal immigration – in the context of fighting extremism and organised crime.

It should also be noted that the numbers of Chinese in Russia were often exaggerated by local officials and that researchers give much lower figures.⁶⁴ Moreover, there had been many

⁵⁷ Umbach (2000) pp. 266, Trenin (2001), pp. 3 f; Chun (2000). 1.

⁵⁸ Since 1991 9.9 % in Magadan, Chukotka 13.4 %, Khabarovsk 10 %.

⁵⁹ Umbach (2000) p. 268; *Moscow News*, No. 13, 2000 quotes a source mentioning a need of five million.

⁶⁰ From 11,000 in 1989 a 20-fold increase in ten years according to Trenin (2001) p. 4.

⁶¹ Umbach (2000) p. 266. For in-depth analysis based on broad opinion polls, see Alexseev (2001) pp. 12 ff.

⁶² Chang (1999a) p. 260, Chang (1999b) p. 84 f; Umbach (2000), pp. 295 f; Iwashita (2001a) p. 5.

⁶³ Trenin (2001) p. 9.

⁶⁴ Trenin (2001) p. 4, mentions about 220 000; Alexseev (2001) p. 16, mentions 0.3 to 1.5 per cent of the Primore population.

Chinese and Koreans in the Russian border regions until Stalin deported them westwards in 1937.⁶⁵

Finally, not only did the Russians profit from the Chinese traders, but they also cooperated with them, were hired by them and travelled a lot to China themselves for trade or work. In 1992-1996, for instance, the number of Russian shuttlers from Primore exceeded the number of Chinese 'tourists' by ten times.⁶⁶

The above-mentioned Titarenko has emphasised that the immigration problem is not a result of a Chinese 'grand design' to take over the Far East but rather of a lack of Russian control and discipline, and therefore clear rules have to be created. Chinese communities exist also in the USA and promoted development there.⁶⁷

Likewise, Dmitri Trenin at the Moscow Carnegie Center points out that most Chinese come to Russia in search of economic opportunities, and many use it only as a temporary station en route to Europe. (In fact the biggest concentration of Chinese in Russia is said to be in Moscow.) Since the cultural divide is very deep, the Chinese assimilate very little, by marriage etc., and few want to stay in Russia.

In Trenin's view Russia needs immigrants in order to develop the Far East, since Russia has a declining population and is not able to lure Russians from other regions. However, Russia would be right to avoid the over-representation of for example the Chinese and should turn to *other* Asians like the Vietnamese and Indians. Koreans have been imported for a number of years, even though they have also been under suspicion for similar reasons as the Chinese. Benefiting from U.S. and Canadian experience, Russia should work out criteria for admission, residence status, naturalization and develop programmes for teaching Russian in order to integrate the foreigners into society, according to Trenin.

He concluded by admitting that China had become the stronger of the two and that its demographic pressure presented a problem in the long run, but a China in deep crisis would also be catastrophic for the Russian Far East by creating massive population moves.⁶⁸

Besides the migration issue, the economic relations between Russia and China were burdened by structural problems and diverging economic interests. The bilateral trade was in fact relatively small. It decreased in the mid-1990s and is still far from the target of 20 billion in 2000, which the parties agreed upon in 1996. In 1997 40 per cent of Russian foreign trade was with EU countries, while China accounted for only 4.5 % of Russian exports and 2.5 % of its exports in 1997, also lagging behind the USA. (As mentioned the Russian Far East was much more engaged) In Chinese foreign trade, Russia had more than ten times less than with the USA and Japan, accounting for 1,7 per cent in 2000.⁶⁹ Thus both states are much more involved with other states than with each other.

⁶⁵ 30 000 and 180 000 respectively according to Chang (1999b), p. 84. See also Alexseev (2001), p.

⁶⁶ Alexseev (2001), pp. 24 ff, esp. 27. In 1993 over one and a half million Russians visited China. (Iwashita (2001a) p. 2) Also before 1914 there had been Chinese in the Russian border towns, and until the 1930s, Russians in China; occupants (in Manchuria), businessmen and political refugees. On border trade, see also *International Herald Tribune (IHT)*, 3 September 2001.

⁶⁷ Titarenko (2000) p. 131.

⁶⁸ Trenin (2001) p. 5. See also *Moscow News*, no. 30, 2000.

⁶⁹ Umbach (2000), p. 273, 295, Titarenko (2000) p. 130; *IHT* 30 January 2001.

Further, Russia complained about the quality of Chinese consumer goods, whereas the Russian industrial products (except for arms) could not compete with Western products on the Chinese market. A recent contract on selling five Tu-204 passenger jets was hailed as a Russian breakthrough, but at the same time China is planning to buy several hundred planes over the next 15 years, mainly from the USA and Europe.

Mutual investments are ridiculously small, and Russia actually invests more in China than vice versa.⁷⁰ The Chinese only invest in small projects, and the grandiose plans on building oil and gas pipelines from Russia have been constantly delayed, in want of investments from third countries. Russia was disappointed that China did not give Russia the contract for the huge Three Gorges dam project, which instead went to German and French firms. In 1998 a fibre optic telephone line between Shanghai and Frankfurt was established with no Russian participation, dashing Russian hopes of becoming a communication bridge to Europe.⁷¹ Chinese businessmen in Hong Kong, Taiwan and other places, who invested so much in China, paid little attention to Russia. The fact is that both states for their future development need large investments and modern technology, which the United States, Japan and Europe are best able to provide.⁷²

There are several reasons why China (other states) found it difficult to do business with Russia. Apart from the border shuttle trade, a good deal of the mutual trade still is barter. Russia was politically and economically unstable throughout the 1990s, and it lacked a functioning banking system and a coherent legal framework for foreign investment and joint ventures in the regions. Corruption and crime was rampant, especially in Primore, where Governor Nadratenko suppressed political opposition and persecuted the Chinese. A western observer commented that “you can’t expect businessmen to walk around with suitcases of money” and that authorities never inform about rules before they have been violated. The Tumen free economic zone project came to nothing because Primore officials wanted to favour their own ports at Nakhodka and Vostochnyi, while the Chinese preferred to send their goods to North Korean ports.⁷³

True, President Putin has achieved political stability and strengthened federal control over the regions. Nazdratenko has been replaced, though by a close associate. Steps are being taken to improve the investment climate in Russia for example by allowing private ownership of land, though agricultural land is excluded. Still there is a long way to go, and other states are trying to attract investments as well.

A major problem is that while Russia has fallen behind in the 1990s to become a middle-rank power in economic terms, China – despite many structural problems and a lower starting point – has steadily developed without being much affected by the East Asian economic crisis since 1997. Its economic reforms started already in 1978 and have made the country one of the biggest investment magnets in the world.⁷⁴ As mentioned China’s GDP now is far ahead of Russia’s and second only to that of Japan in Asia. As a receipt of its progress towards market

⁷⁰ Russian direct investments: 200 million, Chinese 100 million USD according to *Moscow News*, no. 36, 2001.

⁷¹ Umbach (2000) pp. 273, 296; *Moscow News*, no. 36, 37, Blank (1998) p. 346; BBC, 31 August 2001 (ITAR-TASS, 30 August).

⁷² Glaubitz (2001) p. 591.

⁷³ Umbach (2000) p. 263 f, Blank (1998) p. 346; Chang (1999a) pp. 85 f.

⁷⁴ Miyamoto, Katsuhiko and Yu, Jinping (1997) 'Economic Transition: Comparing China with Russia', *Japanese Slavic and East European Studies*, Vol. 18, , pp. 35 ff.

economy, China became a member of the WTO in 2001, while Russia is still waiting. Hence, even if Russia has rich natural energy resources that China needs, it is already the junior partner in its economic relations with China and runs the risk of being exploited by this former military adversary. In the final analysis, normal economic exchange is bound to be impeded by the Russian fear lest its culturally distant, burgeoning neighbour with its enormous population will gradually penetrate and finally take over the Far Eastern regions, no matter how many agreements are signed and restrictions imposed.

On top of it all, Russia and China have competing economic interests in third countries, for example in Central Asia. If Russia cannot satisfy China's growing energy needs, China may well become Russia's strongest energy rival in Central Asia. The Russian economic weakness in the 1990s made it easier for the expansive Chinese business to expand and invest in energy projects in Central Asia, which offered the new states larger room of manoeuvre. In order to maintain its control of the energy transport flows in the region Russia thus pressed Kazakhstan to freeze the building of an oil pipeline to China.⁷⁵

The Russian withdrawal from Mongolia and its economic crisis opened the door for increased Chinese economic presence, so that most of the Mongolian export nowadays goes to China. However, in November 2000 President Putin went to Ulaanbaatar in order to restore old ties, which seemed to be welcomed by the Mongolians.⁷⁶ Russian efforts to reinforce its positions in these regions have also been facilitated by its economic recovery since 1999.

Thus even if Russia and China have common interests especially in the energy sector, their mutual trade has lagged behind trade with others for both political and economic reasons. The Russian fear of wide-scale Chinese immigration, which both has cultural roots and security-related implications, remains a major stumbling block to free economic exchange.

Cooperation against separatism and terrorism – Taiwan and Central Asia

Let us now turn from bilateral political, military and economic issues to Russia's and China's interests with respect to surrounding countries and regions and again take a starting-point in the friendship treaty. The treaty declared common support for the principles of state unity and territorial integrity. While China supported Russian policy in this regard without specification, Russia in the text recognised that there is only one China represented by the People's Republic, of which Taiwan is an inalienable part, and it spoke out against Taiwanese independence "in any form". The parties would also cooperate in fighting "terrorism, separatism and extremism", at the same time as they would safeguard human rights and freedoms according to international obligations and – *nota bene* – each other's national legislation.

⁷⁵ Blank (1998) p. 348; Umbach (2000) p. 274; Swanström, Niklas (2001) 'Kina och Centralasien: Det stora spelet', *Internationella studier*, No. 2, pp. 75 ff. Se also Jonson, Lena (2001) 'Ryssland uträknat ur Centralasien?', *Internationella studier*, No. 3, pp. 13 ff.

⁷⁶ Rossabi, Morris, "China seeks to bolster its economic profile in Central Asia, 21 August, Lkhagvasuren, Nomin, "Russia wants to restore position in Mongolia", 21 November 2000, *Eurasia Insight*, Mongolia, Eurasianet.org.

Indeed, throughout the 1990s, China repeatedly expressed an understanding for the Russian wars against separatism and Muslim fundamentalism in Chechnya, viewing the latter as an internal affair. The Russian leaders reciprocated by defending the integrity of China not only with regard to Taiwan but also to Tibet. Russian arms export to China has substantially contributed to the military build-up at the Taiwan Strait, where the Americans are involved on the other side.

However, while China considers the incorporation of Taiwan its main political goal after the return of Hong Kong and Macau and occasionally has threatened to use violence if Taiwan declares independence, Russia has consistently advocated peaceful reunification, claiming that China wants it, too.⁷⁷ In fact, Russia has reasons to prefer the current status quo, since that detracts China from turning north. If a war would break out, Russia would be forced to choose sides. Russia also has a “Taiwan lobby”, some trade relations with Taiwan, including a trade office in Taipei since 1996 headed by an ex-diplomat.⁷⁸

As hinted at above Russia and China also have common interests and resort to similar repressive methods with regard to Islamic extremists in Central Asia. Fearing that the religious radicals might gain power in the Central Asian states and influence southern Russian regions, Russia backs the Central Asian governments, no matter how dictatorial, and it maintains its largest military forces abroad in Tadjikistan close to the border on Afghanistan. China suppresses the Muslim Uighur minority in Xinjiang, some of whom have carried out terrorist acts, and is concerned about their contacts with Islamists in Central Asia and the Taliban in Afghanistan. When China established relations with Central Asian states, it told them that they must respect Russian military interests in the region.⁷⁹ Russia and China united against the Taliban regime in Afghanistan, and both were concerned about the Islamic Movement of Uzbekistan, which undertook military campaigns from bases in Tadjikistan in 1999 and cherished the goal of creating a united Turkestan also encompassing Xinjiang. The Shanghai group in which Russia, China and the Central Asian states (except Turkmenistan) are members increasingly turned its attention to the Muslim problem. In June 2001 the organisation adopted a declaration on fighting terrorism, separatism and extremism, which outlined concrete forms of cooperation and preventive measures. An antiterrorist centre was to be created in Bishkek, Kyrgyzstan.⁸⁰ According to some observers, this paves the way for common Russian-Chinese military operations in the area.⁸¹ Joint military operations against terrorism would mean a break with past Chinese policy.⁸²

However, it remains to be seen what will come out of this. Russia is hardly likely to yield political and military influence in Central Asia to China, especially as its economic influence in the region has been undermined. Russia already has military cooperation with the Central Asian states, partly within the Collective Security Pact, founded in Tashkent in 1992, partly according to bilateral and tripartite agreements, which has intensified since 1999. In May 2001 Russia, Tadjikistan, Kyrgyzstan Kazakhstan decided to create a common rapid deployment

⁷⁷ BBC, 2 March 2000 (RIA news agency, 29 February), 16 July 2001 (ORT). For background, see special chapters about Taiwan in this book.

⁷⁸ Glaubitz (2001), p. 594, Petro & Rubinstein (1997), p. 198, *Taiwan Headlines*, 21 February, 7 May 2001.

⁷⁹ Blank (1998) p. 349; *IHT*, 6-7 October 2001; *Beijing Review*, 27 September 2001; *Dagens Nyheter*, 19 October 2001.

⁸⁰ Wacker, Gudrun (2001a), *Brennpunkt: Shanghai Fünf*, Homepage of the Stiftung Wissenschaft und Politik, Berlin Last accessed: 6 September, Address: www.swp-berlin.org/produkte/pbarchiv/shanghai5

⁸¹ Blank (2001) p. 17;

⁸² *IHT*, 19 October 2001.

force with a coordination staff in Bishkek.⁸³ The antiterrorist centre of the Shanghai group will probably only be an appendix for China's sake.

Furthermore, the Central Asian states took independent positions with regard to the Taliban regime, and seemed to seek accommodation with it rather than confront it. They also established their own ties with China.⁸⁴ There are indications that even China recently established some kind of contacts with the Taliban regime.⁸⁵ Thus there were obvious cracks in the Russian-Chinese front against terrorism.

On top of this came the terrorist attack on the USA on 11 September 2001, which made Islamic extremism and terrorism a primary concern also in the West. The effects of this will be analysed below in the context of the role of the West in Russian-Chinese relations in general.

Common ground against the USA and NATO

Even though the Russo-Chinese friendship treaty declared that it is not directed against any third parties, there are many indications that cooperation against the USA and NATO is an important objective. Since the mid-1990s both states have advocated multipolarity in world politics, strengthening the role of the UN and its Security Council (where both have veto power), while criticising the alleged hegemonic strivings of the United States.

When NATO took decisions on enlargement, Russia demonstratively intensified its efforts at a strategic partnership with China, and China supported the Russian opposition to NATO enlargement. Both countries lambasted U.S. bombings of Iraq, instead proposing a political solution, and both opposed NATO's 'humanitarian intervention' against Yugoslavia in 1999 as a violation of state sovereignty and territorial integrity, which also presented threats to them. Russia broke off its official contacts with NATO and supported the sharp Chinese protests, when U.S. bombs by mistake hit the Chinese embassy in Belgrade.⁸⁶

During his visit to Beijing three weeks before his resignation, Yeltsin criticised U.S. pressure, saying that President Clinton forgot that Russia possesses a full arsenal of nuclear weapons. "We /Jiang Zemin and I/ will dictate to the world how things will be, and not he alone".⁸⁷ The Russian efforts to involve India in a triangular alliance with China was predicated on common views with respect to Muslim separatism as well as on India's critical view of NATO intervention in Yugoslavia.⁸⁸

⁸³ Jonson, Lena (2001b) 'Russia and Central Asia: Terrorism as an Issue'. Proceedings from AAASS conference in Washington D.C., p. 21 ff.

⁸⁴ Jonson (2001a), p. 16; Jonson (2001b), pp. 18 ff; "Russia has misgivings about SCO", *Eurasia Insight*, 14 August 2001. See also the economic chapter above.

⁸⁵ Wacker, Gudrun (2001b) *China und die Terroranschläge des 11.9.*, Stiftung Wissenschaft und Politik, Last accessed: 17 October 2001, Address: www.swp-berlin.org p. 4. These contacts were of course vehemently denied.

⁸⁶ Oldberg, Ingmar (2001) 'Kosovo and Russian Foreign Policy'. In *Aspects of the Kosovo Operation* (Ljung, Boed.) (Stockholm, Swedish Defence Research Agency) p. 65.

⁸⁷ BBC, 11 December 1999 (Centre TV, 9 December).

⁸⁸ India claimed that a majority of the world's population condemned the bombings. (Oldberg (2001) p- 65.)

In the last few years both Russia and China have strongly criticised the American plans of building a national missile defence system (NMD) and a theatre missile defence with its allies in the Far East. Thus the friendship treaty stressed the value of upholding strategic stability and observing fundamental agreements to that effect. The joint statement in connection with the treaty specifically mentioned the 1972 ABM treaty and the need to prevent the deployment of weapons in outer space. As already mentioned Russia has accepted to deliver weapons to China that can help it to develop its strategic forces against the USA.

The Russian-Chinese cooperation in the Shanghai Five group can partly be seen as a joint effort to keep the Americans out of Central Asia. The media in both countries have accused the USA of fomenting separatism in Xinjiang. The Shanghai group has also been used for resolutions against foreign interference and a revision of the ABM treaty.⁸⁹ At the APEC meeting in Shanghai, when U.S. bombing of Afghanistan had started, Putin and Jiang Zemin concluded that they were of the same opinion concerning international terrorism and that it was necessary to pass from military action to a political settlement under the UN aegis.⁹⁰ This probably had an anti-U.S. edge.

According to the earlier mentioned Stephen Blank there is a growing confluence of values and outlooks in Russia and China in defence of state sovereignty against U.S. visions of liberal democracy, internationalism and human rights. At the same time both are revisionist states in the sense that they oppose the current international status quo and its guarantors. Blank stresses that Russia and China is most concerned about the political threats that globalisation poses to the stability of their states, and that Western economics-driven rationality does not apply in their case. This convergence he associates with Putin's drive for authoritarian centralisation, concentration of power in Moscow and the building of a police state in Russia.⁹¹

Indeed, ever since the Soviet planning economy fell apart, Russian communists have admired the Chinese model combining the party dictatorship with economic growth. Putin's policy of strengthening power and seeking alliance with China has certainly won much support among Russian communists and anti-Western nationalists alike.⁹² Russian Eurasianists, who claim that Russia is both European and Asian with a special mission in world politics, also advocate close relations with China.

Also the Chinese Communists for their part, who maintain strict party control over political life, probably appreciated Putin's accession to power, both because of his background in the security service and his ability to restore political stability and achieve economic growth in Russia. Thus an argument can be made that Russian-Chinese partnership in recent years reflects domestic political developments and has a political basis in both countries. However.

⁸⁹ Blank (2001), Wacker (2001a)

⁹⁰ BBC, 20 October 2001 (Interfax, Xinhua). They also again condemned separatists in Chechnya and Xinjiang and agreed on the ABM treaty as a foundation of strategic stability.

⁹¹ Blank (2000) p. 3 ff, Blank (2001) pp. 8 ff.

⁹² Umbach (2000) p. 275. Extreme confidence in China was expressed by Zhirinovskiy's deputy A. Mitrofanov, who urged Russia to help China restore its sovereignty in south Kazakhstan, because that would strengthen geopolitical stability in the region and bring all of Western Europe under the range of Chinese nuclear weapons. (*Ibidem*)

Divergences vis-à-vis the West

Notwithstanding the above political similarities between Russia and China, the differences between them predominate, not least with respect to the West. Obviously, Russia is culturally oriented towards the West and most of its population lives in the European part. As already noted Russia as a whole is economically more and more oriented towards and dependent on Europe and Western states than on China. From its inception Russia professed to be a democracy, in which no single party has a guiding or dominating role. The presidential and Duma elections were reasonably free, at least in comparison with those in China. In 1996 Russia was admitted into the Council of Europe, the chief guardian of the principles of human rights and democracy (despite the ongoing war in Chechnya). The first Foreign Minister Andrei Kozyrev even talked about raising human rights issues with China and other states.⁹³ After the Tiananmen events human rights became anathema to the Chinese communists, even if they signed international conventions about them. They suppressed all political (not only ethnic) opposition at home and in the latter half of the 1990s also turned against the religious Falun Gong movement. Chinese officials also took a very negative and condescending view of the disintegration and political disorder in Russia under Yeltsin.

Concerning the power basis for cooperation between Russia and China (and the USA) one can agree with Stephen Blank that it rests more on individual leaders than on stable and reliable coalitions of interests. Zhu Rongji as prime minister in China therefore worried Russia about the replacement of Li Peng.⁹⁴ Likewise, the Chinese leaders reportedly were 'immensely shocked' by Yeltsin's resignation right after his visit to China.⁹⁵ Even if they thereafter were pleased by Putin's authoritarian achievements and agreements with China, they also had reasons to be concerned about the fact that Putin more often posed as a Western-oriented democrat, in particular at his frequent meetings with European leaders.⁹⁶

As for foreign policy, Russian leaders already in 1991 talked about joining NATO and - barring that - joined the NATO Cooperation Council and later the Partnership for Peace programme. A Partnership Cooperation Agreement was concluded with the EU in 1994. Before approaching China Yeltsin strove for strategic partnership with the USA as a way to bolster Russia's faltering status, signed a Charter for Russian-American Partnership and Friendship in 1992 and participated in the G 7 meetings of the world's most important industrial states (despite its economic weakness). Russian-American military exercises were held in both states. Even though Russia then opposed NATO enlargement, receiving fire support from China, and the new Foreign Minister Yevgeny Primakov strove for more balance between East and West, Russia in May 1997 signed a Founding Act on Mutual Relations, Cooperation and Security with NATO, including a Permanent Joint Council, and grudgingly accepted a limited enlargement.⁹⁷

⁹³ Blank (2001) p. 3. See critique of Kozyrev in Titarenko (2000) p. 127 f.

⁹⁴ Blank (1998) pp. 356 f.

⁹⁵ Umbach (2000) p. 271.

⁹⁶ For a recent eloquent example, see Prezident Rossiiskoi Federatsii (RF) Homepage, www.president.kremlin.ru, accessed 12 October, speech in the Bundestag, 25 September 2001.

⁹⁷ Oldberg, Ingmar (1999a) 'Ambiguities in Russian Foreign Policy'. In *At a Loss. Russian foreign policy in the 1990s* (Oldberg, Ingmar ed.) (Stockholm, Swedish Defence Research Establishment), pp. 9 ff.

As regards NATO's attack on Yugoslavia, Russia in the end chose to help broker an agreement allowing NATO to deploy troops in Kosovo (while formally preserving Yugoslavia's territorial integrity), and Russia itself assumed a minor role in the operation.⁹⁸

After Yeltsin's threats to Clinton in Beijing, his incumbent Prime Minister Putin tried to soften their impact by assuring that Russia still had very good relations with the USA.⁹⁹ In 2000 Russia resumed official relations with NATO. Putin (now President) even talked about NATO membership – if Russian interests were considered. He also called for strategic partnership with the EU, intensified relations with that organisation, and wanted to cooperate with its emerging crisis prevention force.¹⁰⁰

China obviously was disappointed by the Russian turnabout in the case of Yugoslavia but acquiesced and soon turned its attention to the Taiwan problem. Of course it did not care so much about NATO enlargement as Russia, and well understood the Central European states' wish for security.¹⁰¹ Also China strove for improved relations with the USA and other Western states, since they accounted for most of its trade and investments, and economic development was seen as necessary for political stability. Despite the Taiwan and Falun Gong problems, President Clinton visited China in 1998 and proclaimed strategic partnership between the states. China was promised support for entering the World Trade Organisation (WTO). However, when Bush became U.S. President in 2001, the relations with China cooled off. A military aircraft collision occurred in the South China Sea, the United States decided to deliver more weapons to Taiwan, and China was called strategic 'rival' instead of 'partner'.¹⁰²

The American NMD and TMD plans, which Bush decided to implement, also revealed differences between Russia and China. Putin tempered the Russian resistance by compromise proposals of building a global NMD system together with the USA, combining it with cuts in the strategic arsenals, or a Russian-European missile defence. Russia did not seem as concerned as China about the U.S. plans of a TMD system in East Asia to counter the perceived threat from North Korea, as its own strategic deterrence was not at stake. China took a more uncompromising position, since its deterrence forces were smaller, and the TMD programme threatened to outweigh the Chinese forces opposite Taiwan. As noted China has evidently started to meet these new threats, which in turn causes concern in the USA.¹⁰³ In the face of the Russian compromise proposals, China repeatedly reminded Russia of their mutual agreements in the question. The fact that China apparently took the initiative of having a friendship treaty can – according to Stephen Blank – be seen as an attempt to keep Russia from drifting towards the West and leaving China alone.¹⁰⁴ However, it deserves to be noted that the friendship treaty does not mention neither the USA, the ABM treaty, not even the idea of multipolarity, and the common statement at least omits mentioning the USA.

The terrorist attack on the USA in September 2001 further deepened the rift between Russia and China. As President George W. Bush declared war on terrorism and called for support for

⁹⁸ Oldberg (2001) p. 41 ff.

⁹⁹ BBC, 11 December 1999 (Ekho Moskvy radio, NTV, 9 December).

¹⁰⁰ Leijonhielm (2000) pp.

¹⁰¹ Blank (2000) p, 11

¹⁰² Wacker (2001) p. 1.

¹⁰³ See other chapters and Rydqvist, John (2001) *Robotförsvar som symbol och vapen. ABM, NMD och TMD i USA och Ryssland* (Stockholm, Swedish Defence Research Agency), FOI- R--0072--SE, pp. 46 ff.

¹⁰⁴ Blank (2001) pp 32 ff; Umbach (2000), pp. 271, 303.

a worldwide antiterrorist coalition including Russia, and in October began military operations, Putin heartily welcomed this referring to Russia's own experience with (Chechen) terrorists, and called the U.S. air strikes against Afghanistan justified and necessary. American and European leaders showed more understanding of Russia's war in Chechnya, which also pleased the Russians. The war in Afghanistan was seen as a continuation of the Russian 'antiterrorist' campaign in Chechnya.¹⁰⁵

When visiting Brussels in October 2001, Putin wished for cooperation against terrorism, greeted a NATO proposal on deepening and qualitatively changing relations with Russia, and consented to creating new structures of consultations with NATO and the EU. Putin noted that NATO was changing into a more political organisation, and that Russia might change its view of it.¹⁰⁶ In fact, already before the event Russia had played down its critique of another round of NATO extension also in the case of the Baltic States, though the extension was opposed as unnecessary, since there was no threat from Russia.¹⁰⁷

Russia offered its airspace (to transport aircraft) and intelligence for the U.S. campaign and did not object to the deployment of (non-fighting) U.S. units in Uzbekistan. Russia increased its military cooperation with the Central Asian states against terrorism, and boosted support for the Northern Alliance forces in Afghanistan, which for years have been at war with the Taliban regime.¹⁰⁸ Thus the fight against terrorism offered a useful means of strengthening Russia's ties with the West and at the same time reinforcing its positions in Central Asia.

Russia contributed to make the terrorism issue overshadow economic issues at the APEC meeting in Shanghai in October 2001 and called the U.S. operation in Afghanistan 'measured and appropriate'. President Putin held a meeting with President Bush, discussed the ABM issue, and afterwards said that he believed the two could reach an agreement on the ABM issue and talked about 'common values of the world civilisation'. Bush for his part praised his counterpart 'Vladimir' and their good relationship. After the foreign ministers' meeting Russian sources even spoke about a strategic breakthrough on the ABM issue.¹⁰⁹ Adding insult to injury, this took place on Chinese soil.

The Chinese attitude to the terrorism issue was a little different. In exchange for cooperation China first demanded American support for its fight against terrorism and separatism, alluding to both Xinjiang and Taiwan. Jiang Zemin insisted that the United States consult with the UN Security Council and presented concrete evidence of guilt before taking military action.¹¹⁰ At the APEC meeting Jiang hoped that the attacks on Afghanistan were well targeted and did not hurt civilians.¹¹¹ In Chinese media, the USA was said to have provoked terrorism by its hegemonistic power policy.

According to the German analyst Gudrun Wacker the terror attacks could on the one hand be said to underpin the Chinese view that combating terrorism is more important than building

¹⁰⁵ BBC, 20 October 2001 (ITAR-TASS).

¹⁰⁶ Prezident RF, 11 September 2001, speech 3 October 2001; *Izvestiia*, 4 October 2001.

¹⁰⁷ Prezident RF, 3 September 2001.

¹⁰⁸ *NG*, 9 October 2001; *Moscow Times*, 11 October 2001.

¹⁰⁹ BBC, 21 October, *Dagens Nyheter*, 20 October, *IHT*, 22 October 2001.

¹¹⁰ *Beijing Review*, 27 September; *Dagens Nyheter*, 19 September, 12 October 2001; Möller, Kai (2001) *Der Ferne Osten nach dem 11. September*, Stiftung Wissenschaft und Politik, Last accessed: 15 October, Address: www.swp-berlin.org, pp. 4 f.

¹¹¹ *Dagens Nyheter*, 20 October 2001.

missile shields and serve to distract the USA from the Taiwan issue. But the U.S. intervention in Afghanistan could also threaten China by destabilising and radicalising the surrounding region, or by increasing U.S. influence and military presence in Central Asia and Pakistan, China's old ally, in addition to Korea, Japan and Taiwan, and installing a U.S.-friendly regime in Afghanistan.¹¹²

True, the impression of this was mitigated by the fact that China also expressed sympathy with the United States after 11 September, sent its foreign minister to Washington with offers of cooperation against terrorism, for example with intelligence. It voted for the UN Security Council resolutions justifying an American response, and according to U.S. sources encouraged its ally Pakistan to stand by the United States. WE President Bush attended the APEC meeting in Shanghai on his first official visit to Asia. Bush and his associates avoided talking about human rights, missile defence and Taiwan. Instead they expressed satisfaction with the Chinese support in fighting terrorism. However, the impression remains that Russia stood much closer to the United States than China.¹¹³ The USA also seemed more interested in winning Russian support than Chinese.

Reviewing Russian and Chinese relations with third countries, one has to conclude that both states were increasingly involved in political and economic relations with the United States and other major Western states, which served to de-emphasise their mutual ties and make them competitors. Russia turned out to be closer to the West than China in political terms, while China attracted more Western attention in economic terms. At the same time as China wants to profit from Western trade and technology, e.g. by joining the WTO, it ever since the 1950s has posed as a representative of the South versus the North.

Common and conflicting interests in Japan and Korea

Turning now to the power relationships in East Asia, we find that Russia and China had some common interests in regard to the neighbours Japan and Korea. Starting with Japan we find that both the Soviet Union and China – despite mutual hostility since the 1960s – condemned it for its defence alliance with the USA as well as for the American military bases. They did not like that even though the Japanese constitution imposes restrictions and the defence share of the budget is limited to one per cent, the Japanese forces developed into a modern and strong force – partly due to the simple fact that the Japanese economy became the second biggest in the world. The Soviet military forces in the Far East, especially the Pacific Fleet, were primarily expanded to meet these perceived threats.

In similar veins Russia criticised the new U.S.-Japan defence guidelines espoused in 1997, referring to their vagueness on whether they applied to the Russian Far East and the Kuril islands claimed by Japan (see below), while China worried about its extension to Taiwan and adjacent areas.¹¹⁴

Like China Russia strove to develop the economic relations with Japan and called for Japanese investments in energy projects in Siberia and the Far East. As noted above China was also often involved in such projects in order to cover its rapidly growing needs. For

¹¹² Wacker (2001b), pp. 1-4.

¹¹³ *IHT*, 19, 20-21, 22 October 2001.

¹¹⁴ Chun (2000) p. 3; NG, 29 May 1999.

instance, Japanese companies participated in international consortia developing the rich oil and gas resources off Sakhalin (the southern part of which was Japanese until 1945.), and a large share of the production went to China and South Korea.¹¹⁵

Nevertheless, there were several divergences and problems. China had been occupied by the Japanese before and during the Second World War, and had rather tense relations with Japan ever since, whereas Russia had not been exposed to military threats from Japan for many years. China therefore had cause to be uneasy about the rapprochement with Japan that Gorbachev initiated and Yeltsin continued in the 1990s – at the same time as they improved Russian relations with China. Russia and Japan exchanged top-level visits. In a letter to the Japanese prime minister, Yeltsin in February 1992 spoke of Japan as a potential alliance partner. Russia went as far as accepting the U.S. alliance system in East Asia as positive guarantees of regional security, believing that a U.S. withdrawal would probably spur faster and more comprehensive militarisation of Japan.¹¹⁶ Russia and Japan agreed on confidence-building measures, common military exercises were held, Russia offered to sell arms, and its defence minister in 1996 even proposed common exercises with the Americans. Unlike China, Russia backed the idea of giving Japan a permanent seat on the UN Security Council, while Japan accepted Russia joining the G 7 group of Western industrial powers, helped it to join the APEC and promised to help it into the WTO.¹¹⁷ Putin and Prime Minister Yoshiro Mori talked about ‘creative partnership’.¹¹⁸

Concerning economic relations with Japan, Russia and China could in several cases become competitors for investments and trade. To the extent that China wanted to dominate the economy of the Russian Far East, it could deem Japanese engagement there to be a problem. One may wonder what the Chinese thought about a Russian-Japanese deal worth USD 9.6 billion on building gas and electricity ‘bridges’ from Sakhalin to Japan, signed in 2000.¹¹⁹

However, China increased its trade with and investments from Japan far more quickly than Russia, whereas the Russian share of the Japanese foreign trade remained pitiful and stagnating, although it was important for example for Sakhalin.¹²⁰ The Japanese reluctance can be explained by the above-mentioned structural problems in the Russian economy and

¹¹⁵ Jarlsvik (1998) pp. 107 f, Chun (2000) p. 14, Bradshaw, Michael (2001a) ‘Globalisation, Economic Transformation and Regional Change in Russia: The Case of Sakhalin’. Conference proceedings from winter symposium, (Slavic Research Center, Hokkaido University, pp. 7 ff; Bradshaw, Michael (2001b) *The Sakhalin Oil and Gas Projects: Pent up Potential*, East West Institute, New York, Last accessed: 11 April, Address: www.iewis.org, pp. 1 ff.

¹¹⁶ *Nezavisimoe voennoe obozrenie (NVO)*, 8-14 December 2000; Jarlsvik (1998) pp. 105 ff; Chun (2000) pp. 3, 8 f.

¹¹⁷ BBC, 4 November 2000 (ITAR-TASS 2 November); Blank (1998) p. 356; Glaubitz (2001) p. 596; Umbach (2000) p. 291. Japan also assigned 120 million USD for the decommissioning of old Russian nuclear submarines (“Igor Ivanov’s Asia tour”, 14 February 2000, NUPI Centre for Russian Studies Database Norwegian Institute of International Affairs, Last updated: 23 October 2000, Address: www.nupi.no/cgi-win/Rusland (RFE/RL Newslines))

¹¹⁸ Galuzin, Mikhail (2001) ‘Japan: A Frank Dialogue Is Essential’, *International Affairs*, No. 4, p. 96.

¹¹⁹ *Segodnia*, 6 September 2000. According to Bradshaw (2001b) p. 1, Sakhalin became second only to Moscow city in terms in accumulated foreign direct investments.

¹²⁰ In 1997 Japan became China’s first partner with ten times more trade than Russia, Japan accounting for 18%, Russia for two according to Burles, Mark (1999) *Chinese Policy toward Russia and the Central Asian Republics* (Santa Monica, Rand Corporation), , pp. 21 f. The Russian share of Japanese exports are 0.5 per cent according to Glaubitz (2001) p. 596. Japan in 1997 accounted for only 3.5 and 2.9 per cent of Russian exports and imports, respectively, even less than China, according to Umbach (2000) p. 295.

political interference, which scared off potential Japanese investors and trading partners, but also by different business cultures. Chinese and Japanese cultures were more compatible.¹²¹

Most importantly, also Japanese relations with Russia were burdened by old enmity and mutual distrust, at least since the end of Second World War, when the Soviet Union attacked and was awarded four Kuril Islands and southern Sakhalin at Japan's expense.¹²² Ever since then Japan has insisted on the return of the four islands (called Northern Territories), holding that as a precondition for a peace treaty and various political and economic agreements. The only concession it was prepared to make was to postpone the actual takeover after the formal recognition of Japanese sovereignty.¹²³

The Russian government under pressure from Russian Duma and public opinion, especially in the Far East, refused to cede the islands referring among other things to the principle of territorial integrity. The military establishment saw the islands as necessary for keeping intruders out of the Okhotsk Sea, which was a bastion for Russian strategic submarines. In the negotiations Russia (like the USSR before) demanded a peace treaty and improved economic relations before a solution of the border issue. Russia has offered (as in 1956) compromises such as to return two of the islands and to create a common economic zone in the islands. Friendly gestures were made such as reducing military forces in the islands and allowing former Japanese inhabitants to visit the islands without visas and letting Japanese vessels fish in the surrounding waters.¹²⁴ Many other compromise solutions have been suggested.¹²⁵ The negotiations have gone on for several decades, and Yeltsin and then Premier Minister Hashimoto in 1997 agreed to try and reach a peace treaty by 2000.

However, the situation remained deadlocked. Japan has rejected all these compromises, and resigning to this situation, Russia seemed intent on keeping the islands, judging from the fact that it launched a federal programme to develop them. The relations were also burdened by several incidents with Russian air incursions and illegal Japanese fishing in the contested economic zone.¹²⁶

The fact that the territorial question was not solved gave Japan a convenient excuse for keeping the difficult neighbour at bay and instead cultivating ties with other neighbours and allies. Russia proved not willing to make territorial concessions to Japan as it did to China, since Japan did not offer enough.

¹²¹ There was also resistance on the Japanese energy market against going over to reliance on Russian gas.

¹²² In addition, they fought wars in 1904-1905 and 1939.

¹²³ Glaubitz (2001) p. 595.

¹²⁴ *NG*, 23 February 1999; Radio Free Europe/Radio Liberty (2001b) *Security Watch*, Last accessed: 19 February, Address: www.rferl.org, 4 April 2001; Galuzin (2001) pp. 96 ff.

¹²⁵ According to Dmitry Trenin at the Carnegie Moscow Center, an American-Russian-Japanese group found 66 different ways of solving the problem. In his view, Russia should be prepared to give up territory for economic gains and in order to get legal title to southern Sakhalin. As for territorial integrity Russia after all sold Alaska. He points out that the contested islands have little military value since the Russian Pacific SSBN force is being phased out, and there is no likely threat from the USA. He asks why Russia could not be generous to Japan, which has much to offer Russia and did not attack it, when the Soviet Union was generous to Germany by allowing reunification, even though Germany attacked in 1941. But he realises that a weak Russia cannot do it and that more self-confidence is required. As for Japan he (wishfully) thinks it should settle for a compromise (on receiving two islands first) so as to support a democratic Russia and to promote business opportunities. (Trenin (2001) pp. 5 ff.)

¹²⁶ *NG*, 23 February 1999; *Moscow Times*, 15 February 2001; *Izvestiia*, 10 November 2000; Jarlsvik (1998) pp. 105 ff; BBC, 19 October 2001 (ITAR-TASS)

The main positive conclusion for China from the Kuril issue was that the two big neighbours could not join up against it. However, since China itself disturbed Japan with sea incursions,¹²⁷ it had to be cautious not to frighten Japan into fortifying its alliance with the United States and accepting compromises with Russia.

Turning now to the Russian and Chinese interests with regard to the divided **Korea**, one can observe that both states since the war in 1950-53 supported North Korea against the southern Republic of Korea, called for the withdrawal of U.S. troops and a peaceful reunification.

Nevertheless, both Russia and China recognised South Korea in the early 1990s, when it had become a fast-growing market economy, and established economic relations with it. Also China stood to gain from Russian proposals to South Korea to participate in the exploitation of gas and oil resources in Siberia and extend pipelines to South Korea, which served to balance dependence only on Japanese capital. Both participated in the Tumen project mentioned above. Both states were affected by North Korea's nuclear programme and especially its launch of a long-range missile across Japan in 1998, since these evoked alarm also in the United States. The missile launch from one of the so-called rogue states became a good pretext for the USA to go ahead with the NMD and TMD projects and persuaded Japan to contribute to these.¹²⁸ Both Russia and China wanted stability on the peninsula and greeted the modest rapprochement between the states epitomised by the meeting of Kim Dae-Jung and Kim Jong-il in 2000.

However, there were divergences and problems also in this case. Throughout the 20th century, if not earlier, and not least when Russia and China had hostile relations since the 1960s, they competed for influence over the peninsula. In line with its Western and market oriented policy the USSR/Russia was the first to recognise South Korea (1990) and in 1994 Presidents Yeltsin and Kim Young-sam signed a declaration on 'constructive partnership' – the same year as Russia and China. Confidence-building measures were taken, and a military exchange started with visits and exercises.

As for economic relations Russian trade with South Korea first grew rapidly but soon ran into difficulties for well-known reasons. To make up for incurred debts Russia persuaded the opposite side to receive advanced Russian weapons such as T-80 tanks and surface-to-air missiles, helicopters and radar equipment. The Pacific Fleet's two much-vaunted aircraft carriers were sold as metal scrap to South Korea.¹²⁹ This arms export probably did not please China, but perhaps was it a lesser evil than the South Korean reliance on American weapons. South Korea was also reluctant to become dependent on Russian weapons, which caused compatibility problems. In the end Russian trade with South Korea stayed at very low levels, while China was more successful.¹³⁰

At the same pace as Russia expanded its ties with South Korea, those with North Korea weakened. The friendship, cooperation and mutual assistance treaty of 1961 with North Korea including military support in case of external aggression, lapsed, and the renewal of it was postponed. Russian arms export to and trade with North Korea shrank to a minimum. In line with its democratisation process, Russia was critical of North Korea's dictatorial regime and

¹²⁷ *IHT*, 19 October 2001.

¹²⁸ *NG*, 29 Mai 1999; Chun (2000) pp. 3 f; Blank (2000) p. 10. More on BMD below and in other chapters.

¹²⁹ Jarlsvik (1998) pp. 110 ff; Umbach (2000) p. 293; Chun (2000) p. 9, Glaubitz (2001), p. 599.

¹³⁰ Russia had 0.4 per cent of South Korean foreign trade in 1999 according to Chun (2000) pp. 5, 9.

orthodox communist economy, which resulted in misery and mass starvation. In 1992 Russia demanded that North Korea should submit to nuclear inspections, and its deliveries for the nuclear research reactor, which the Soviet Union had supplied during the Cold War, ceased. Russia backed the South Korean wish for a dialogue with North Korea and in 1996 urged the latter to respect the demilitarised zone between them.¹³¹ One of Russia's main goals was to be admitted to the four-party negotiations on securing peace on the peninsula, and it enlisted the support of Japan, which had the same ambition.¹³²

China, by contrast, refrained from criticising North Korea and continued to support it militarily and economically, thus becoming the only friend with any influence on this outcast country.¹³³ Russia lost its leverage on North Korea to China. It found it excluded from the international Korean Energy Development Organisation set up to control North Korea's nuclear programme, partly because it could not contribute. Not only the United States but also China opposed the Russian ambitions of participating in the peace talks.¹³⁴

In order to regain influence in Korea, Russia in 1996 started to improve relations with North Korea, and under Putin this policy was intensified. In early 2000 a new friendship treaty was concluded – without a military assistance clause. At Putin's visit to Pyongyang in July 2000 – the first ever by a Russian head of state – Kim Jong-il reportedly said that North Korea was prepared to abandon its missile development programme and stop tests if other countries offered it technology for peaceful space research. This message was meant to undercut U.S. plans to build a missile defence and seemed to boost Putin's international prestige, when he presented it at a G-8 summit in Okinawa.

However, the success was diluted by Putin's comment that the states that felt threatened should provide the technology, not only Russia, and that North Korea, whose programme was entirely peaceful, should get its own booster rockets. Some time afterwards Kim also declared that his offer to shelve the missile programme was not so serious.¹³⁵

When Kim in July-August 2001 paid a reply visit to Moscow (for several weeks by train with a huge escort), a joint declaration was signed, which spoke in favour of the ABM treaty, "independent and peaceful" Korean unification, and a railway project linking South and North Korea with the Russian Trans-Siberian railway. Russia expressed "understanding" for the North Korean view that a U.S. pullout of troops was a "pressing issue", while stressing the need for non-violent means. Kim reaffirmed the missile test moratorium until 2003 but said the programme would go on, while Russia offered (and showed) its rocket technology – if

¹³¹ Russia was also upset because of the North Korean missile launch, which Russia did not detect and which landed in the waters of the Russian economic zone. (Umbach (2000) p. 293, Jarlsvik (1998) pp. 114 f.

¹³² They included the two Koreas, China and the USA, which were parties to the ceasefire agreement of 1953. (Glaubitz (2001) p. 598.

¹³³ This however had the disadvantage that when the North Korean economy collapsed in the mid-1990s, China had to provide emergency aid and receive refugees, so China started cautiously to nudge the country towards economic reforms. Russia had little to offer, so the international community had to be involved.

¹³⁴ Jarlsvik (1998) pp. 111 f; Umbach (2000) p. 293, Chun (2000) p. 4.

¹³⁵ Putin and Kim agreed on opposing the U.S. NMD plans. ("Vladimir Putin visits China, Korea and Japan", 18 July 2000 (NUPI, Interfax); *Moscow Times*, 21 July 2000, *Sydsvenska Dagbladet* 20 July 2000 (TT/AFP); Glaubitz (2001) pp. 598 f.)

others paid.¹³⁶ Russia also resumed its weapons export to North Korea, including ten MiG-29 fighters, even though this military cooperation was played down in international fora.¹³⁷

Simultaneously Putin cultivated his ties with South Korea, by visiting it, supporting its 'sunshine policy' towards the North and offering to help construct the railway to Russia (as a way to service old debts).¹³⁸ In return South Korea supported Russian participation in the four-state peace talks and even its rights vis-à-vis Japan in the economic zone around the Kurils.¹³⁹

In sum, Russia's resumed relations with North Korea not only served to increase pressure on the United States. As the German Far East expert Frank Umbach points out, it allowed North Korea anew to play out Russia and China against each other, which might strain Sino-Russian relations and undermine the inter-Korean reconciliation process.¹⁴⁰ China on its part had reason to worry about increased Russian competition over North Korea.¹⁴¹ Russia seemed unwilling and unable to aid China in buttressing the disastrous North Korean economy. The idea of linking the Korean railways to Russia also ran against Chinese plans of linking them to China at the mouth of the Yalu River (Sinuiju), which meant a shorter transit to Europe.¹⁴²

Thus even if Russia and China had some common interests with respect to Japan and the Koreas, especially as the United States was involved, they also competed for influence and resources. Russia under Putin made efforts to improve its position but was hampered by limited resources. China, on the other hand, emerged as an increasingly important partner for both Japan, South and North Korea thanks to its expansive economy as well as being culturally closer to these states. Despite its Asian location, Russia became the European outsider to the East Asian game, while the distant United States remained the most important actor from outside.

The limits of Russian-Chinese friendship

Russia and China thus improved their mutual relations in the 1990s by military withdrawals and reductions, border agreements, Russian arms export, increased border trade, and cooperation on some international issues such as stemming Islamic extremism and combating U.S. dominance in world affairs and the northeast Asian region.

Yet, the relationship was burdened by mutual distrust and power ambitions, which have deep roots in history. The cultural divide is at least as deep as between the United States and China. Moreover, Russia was the former superpower, which suffered a protracted economic crisis in

¹³⁶ BBC, 4, 7 August (ITAR-TASS); *Izvestiia*, 7 August 2001; *Moscow Times*, 6 August 2001..

¹³⁷ Since these are worth 500-1000 million USD, to be compared with North Korea's budget estimated at 1.4 billion, one might wonder whether it was not Russian gifts. (Umbach (2000) p. 294) *NVO*, 14 Mai 2001; BBC 20 October 2001 (ITAR-TASS)

¹³⁸ "Regional cooperation in Russian-North Korean relations", Institute of East West Studies *Russian regional report*, Address: www.iewws.org/rrrabout.nsf/pages, no. 30, 29 August 2001; *Izvestiia*, 27 February 2001, *The Korea Herald*, 2 February 2001.

¹³⁹ Radio Free Europe/Radio Liberty (2001a) *RFE/RL Newslines*, Last accessed: 4 July 2001, Chun (2000) p. 12.

¹⁴⁰ Umbach (2000) pp. 294 f; *Izvestiia*, 7 August 2001. Since 2000 North Korea has shown less interest in improving relations with South Korea, and the 'sunshine policy' has lost domestic support in South Korea.

¹⁴¹ Thus China in September 2001 pledged to 'assist' the two Korea with negotiations. (*IHT*, 19 October 2001)

¹⁴² Institute of East West Studies, no. 30, 29 August 2001.

the 1990s, and the relations with China were used as a way to retain Russia's special status.¹⁴³ Most Russians feared that border trade would lead to massive Chinese immigration in its eastern parts and an actual takeover in the long run. The military and many others were afraid that Russian arms export to China served to strengthen a future enemy. If economic growth continues, the Russian military industry may be saved by the state's own purchases and find other foreign customers.

Meanwhile China, the most populous country on earth, had rapid economic growth and aspired to a leading position in Asia and the world. In the 1990s Chinese officials took a rather condescending and arrogant view of the faltering Russian neighbour, claiming that Russia could play a key role in Asia and elsewhere only with Chinese support.¹⁴⁴ The words about equality in the friendship treaty thus sound quite hollow. Both states were more interested in developing their relations with the developed Western states, which had more to offer in economic terms. Both were competing for influence in third countries, such as in Central Asia, Southeast Asia and Korea. Both wanted investments from Japan, but alliances with it were impossible. The Chinese influence in Northeast Asia grew at the expense of Russia.

The Russo-Chinese political agreements in the 1990s and the friendship treaty can therefore be viewed as means to keep each other from drifting to the West and as means of pressure to get more favourable deals from Western states. Throughout most of the 1990s, Russia seemed to be most keen on playing the Chinese card and to need Chinese support in order to counter NATO enlargement. As Russia then seemed to tilt towards the West with regard to the U.S. NMD plans and European integration, China became more anxious for a treaty. The friendship treaty should probably best be seen as a tactical partnership subject to change.

Ironically, the terrorism issue, which in the 1990s united Russia and China, in 2001 served to widen the rift between them. Only a few months after the friendship treaty with China was signed, that issue provided Russia with a golden opportunity to deepen its integration with Western organisations, including American and European states. Russia is mainly a European state, and the needs of the vast Asian parts cannot be expected to dominate its foreign policy.

China on the other hand seemed more reluctant and keener on cooperation with third world states on this issue. The deeply ingrained Chinese ambition to regain Taiwan and the U.S. resistance to that probably is the single most important factors blocking close Chinese-American relations.

The problem now does not appear to be the emergence of a military alliance between Russia and China, but the isolation of China, which may lead to xenophobic reactions and a military build-up. This might slow the economic growth of China and impede its integration into the world economy. The question is whether the West is able and willing to offer China enough carrots without giving it a free hand vis-à-vis neighbours and minorities.

¹⁴³ Blank (1998) p. 352.

¹⁴⁴ Blank (1998) pp. 354 f

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Sydsvenska Dagbladet

Taiwan

Headlines

ARTICLE No 2

Ballistic Missile Defence in Asia By Ingolf Kiesow

Abbreviations

ABL	Airborne Laser
ABM	Anti Ballistic Missile Treaty
AWS	Aegis Weapon System
BMD	Ballistic Missile Defense
BPI	Boost Phase Intercept
CTBT	Comprehensive Nuclear Test Ban Treaty
GPALS	Global Protection Against Limited Strikes
ICBM	Intercontinental Ballistic Missile
IRBM	Intermediate Range Ballistic Missile
MRBM	Medium Range Ballistic Missile
MTCR	Missile Technology Control Regime (agreement on)
NAD	Navy Area Defense
NMD	National Missile Defense
NTW	Navy Theater Wide Defense
PLA	People's Liberation Army (of China)
PRC	People's Republic of China
ROK	Republic of Korea (South Korea)
SALT	Strategic Arms Limitation Talks
SDI	Strategic Defense Initiative
SDS	Strategic Defense System
SRBM	Short Range Ballistic Missile
THAAD	Theater High Altitude Air Defense
TMD	Theater Missile Defense
UAV	Unmanned Aerial Vehicle

Introduction

Already at the outbreak of the Gulf War, USA had developed a kind of short range anti ballistic missile defence for the protection of troop units. It was the so-called Patriot system. Its effectiveness was limited, though, and even American troops in barracks in Riyadh in Saudi-Arabia had to take a direct hit, which could not be prevented by the Patriot anti missile missiles.

After the Gulf War, there was no immediate new conceptual dimension to warfare theory discussions, caused by the experiences from the use of the Patriot system. There was only a continuation and reinforcement of the debates about the use and delivery of Weapons of Mass Destruction (WMDs) and countermeasures against them. In Sweden the impact of the Patriots had been too weak, in spite of the alarm caused by the discoveries about Saddam Hussein's arsenal. A Swedish summary of the Gulf War only mentions the Patriots, without real analysis of their role in the war.¹⁴⁵ It took almost ten years for the new dimension of missile defence in warfare to get focused worldwide attention.¹⁴⁶

Today, however, the concept of Ballistic Missile Defence (BMD) has changed the perspective "from strategic nuclear attack with global catastrophe as a consequence, to non-strategic ballistic missile attack by "rogue states" in geographically confined regional conflicts". The pattern of conflicts and confrontation has "transformed from dichotomy to multipolarity, and from symmetrical- to asymmetrical confrontation with differentiated actors with different nature. Thus the post Cold War security situation is subject to higher degree of anarchy and unpredictability, with diffused image of threat".¹⁴⁷

The ambiguity is more dangerous in East Asia than elsewhere in the world, because there are already other factors making East Asia unstable and dangerous. Two of the world's three most dangerous unresolved questions, the Taiwan question and the question of the two Koreas stem from territorial disputes in East Asia (the third one being Kashmir). There is neither regional security framework nor any institutionalised confidence building mechanism at work. There are asymmetric and differentiated parties competing for influence and power, namely the two largest economies in the world (USA and Japan), an economically troubled Russia, a rather poor China, and one of the poorest countries in the world, namely North Korea, armed to the teeth. Large and stable democracies like USA, Japan, South Korea and Taiwan are competing with non-democratic powers like China and North Korea. Three major nuclear powers, USA, China and Russia are actors in East Asia, as well as a potentially nuclear-armed country, North Korea.

¹⁴⁵ Wetterqvist, Fredrik, and Johansson, Lennart (1991) *Kriget vid Persiska Viken 1990-91*, Stockholm, National Defence Research Establishment, p. 46.

¹⁴⁶ It should, however, be mentioned that a separate study was made five years later at FOI on the effect of the SCUD-missiles; Tarras-Wahlberg, Erland and Sjöberg, Eric (1995) *Skydd mot ballistiska robotar*, Stockholm, National Defence Research Establishment, Sweden.

¹⁴⁷ Ikegami-Andersson, Masako (2000) *Theatre Missile Defence in East Asia*, paper at Pugwash Meeting, no. 257 26-28 October 2000, Center for Pacific Asia Studies, Stockholm University.



Overview of countries in Asia with a direct relevance to the debate on missile defence in Asia, made at the Swedish Defence Research Agency, 2001

Because the BMD is so expensive, the possession of a BMD system is becoming a symbol of super power status, and for the have-nots, who can ill afford a complete system, like China, it becomes a provocation.

The questions that this article tries to cover are the following:

- What are the basic features of the new BMD systems now being introduced in Asia?
- What underlying factors have motivated the emergence of BMD in Asia?
- What can be the consequences of the introduction of BMD – if any – in the form of new military and political structures in Asia?

In the search for the answers, mainly the following different kinds of sources have been used.

Information on events has been taken from official newspapers and publications as much as possible, otherwise well known newspapers and journals or from the works of researchers.¹⁴⁸

Information on policies and military assets has been taken from the respective countries, wherever available from official sources. A problem has been the lesser degree of openness on these matters in China and North Korea. As a second choice, information from open American and other “western” sources has been used.

¹⁴⁸ It should be mentioned that there is no local lingua franca in Asia. The situation differs from the situation in the former East Bloc, where Russian was spoken and written by practically all persons with a higher education and communication between the member countries was made in Russian. In Asia, the different countries have to communicate in English with each other. In India, (because so many different minority languages are spoken), English is even used for communication between different parts of the country, and many local newspapers are published in English. Writing regarded as relevant to the neighbours is usually made in English or translated into English.

Interviews with academics, government functionaries and experts have also been used, but mainly to get overall perspectives and background information. Most interviews were not made under such conditions that the person in question would expect to be quoted. They were made with representatives of foreign ministries, ministries of defence, strategic institutes and defence research institutes, but given as “background information”. This background information has been most valuable to understand the situation and make the report relevant. However, the views expressed were not necessarily reflecting the official policy or position of the institution concerned.¹⁴⁹ Since the persons interviewed have the right not to be quoted, no further indication of the source could be made than “notes by the author”.

¹⁴⁹ In Japan, The National Institute for Defense Studies, The Research Institute for Peace and Security, The International Institute for Policy Studies, were visited and in South Korea, the Saejong Institute, The Institute for Foreign affairs and National Security and The Korean Institute for Defense Analyses. In China, similar institutions were visited.

CHAPTER ONE: BMD in America

The American experience on BMD thinking goes back to the middle of the 1960s. The Soviet Union was then preparing an anti ballistic missile defence system around Moscow. Furthermore, in USA, the emergence of China as a nuclear power, albeit with limited missile resources, had initiated preparations for the so-called Sentinel program. The development of nuclear doctrine in both super powers, however, finally led them to rethink the consequences of this type of arms race.¹⁵⁰

The most important objection from the critics to an Anti-Ballistic Missile Treaty (ABM) was that ABM systems would destroy the balance between USA and the Soviet Union. So many and so well protected nuclear missiles had been deployed that any effort to destroy them all in one initial attack was certain to fail. A second strike capability had developed. In this situation the attacker could be certain to face destruction as well, especially since both sides had developed so great numbers and nuclear weapons so powerful that most of each country would become inhabitable after a nuclear exchange. The mutual awareness of this fact had a deterring effect, which was strong enough to keep both sides from attacking, thus creating a "balance".

This balance could be disturbed by the introduction of an ABM system, since an attacking party could believe that it would be possible to defend a power centre and/or missile silos against all incoming missiles, survive a counter attack and gain final victory. The further development of ABM systems would therefore create an arms race beyond imaginable proportions, with each side trying to overwhelm the other side with ever increasing numbers of missiles and anti missile weapons.¹⁵¹ Since both sides hesitated in the face of such perspectives and since the Soviet Union changed its attitude to the ABM defence for other reasons as well, contacts were established, and in 1972 USA and the Soviet Union managed to agree on the so-called Anti Ballistic Missile Treaty. The ABM Treaty was actually part of a greater package of agreements on limitation of nuclear armaments, contained in the so-called interim SALT 1 agreement, agreed at in the negotiating process called the Strategic Arms Limitation Talks (SALT).¹⁵²

In 1984 President Reagan introduced the Strategic Defense Initiative (SDI), a study of the feasibility of a missile defence system. The Strategic Defense System (SDS) carried it on in 1987, based on six major subsystems. It underwent different phases and was replaced by a system that was called Global Protection Against Limited Strikes (GPALS) in 1991. As the name suggests, it was a program focusing at responding to the shorter-range missiles. The technology of weapons for mass destruction had proliferated, the strategic threat from the Soviet Union had almost disappeared and the costs for the SDS had appeared to be very high and the technical problems involved in responding to the longer-range missiles had appeared to be more difficult to solve than initially expected. All these factors contributed to the change of focus.¹⁵³

¹⁵⁰ Axberg, Stefan and Dörfer, Ingmar (2001) "*Missilhot mot Sverige*", Booklet issued by the Swedish National Defence Commission, Regeringskansliet, Försvarsdepartementet, Stockholm 2001 p.10.

¹⁵¹ Myrdal, Alva (1976) *The Game of Disarmament*, New York, Pantheon Books, p.116.

¹⁵² Ahlström, Christer (2000) "Nationellt missilförsvar och 1972 års ABM-fördrag in *the Journal of the Swedish Royal Academy of War Science*, Booklet no. 5, 2000; Rydqvist, John (2001) *Missile Defence as symbol and weapon*, Swedish Defence Research Agency, Stockholm, Report FOI-R--0072--SE.

¹⁵³ Baucom, Donald R. (2001) *Ballistic Missile Defense: A brief History*, <http://www.acq.osd.mil/bmdo/bmdolink/html/history.html>, accessed 21 January 2002.

During the 1990s the basic thinking evolved that today is seen in the three-levels of

- A ground-based National Missile Defense (NMD)
- A ground- or sea-based Theater Missile Defense (TMD) and
- A space-based global defence.

A North Korean decision in 1998 to test fire the Taepon Dong Missile had consequences, which were probably more far reaching than the decision maker(s) had imagined. The consequences were reinforced by the psychological effects of an Indian nuclear test and by the ensuing Pakistani explosion of a nuclear device. The talk of “an Islamic bomb” added fuel to the debate about nuclear terrorism in USA and other western countries.

There is a certain irony in the fear of attacks from so-called rogue states or “states of concern”. For almost any smaller or medium sized state, it would mean suicide to attack a super power like USA with a single nuclear device and then not be in a position to make a second strike, but the fact is that the threat from terrorist organisations as exemplified by Osama Bin Laden’s Al Qaeda is more dangerous, because it is usually very difficult to deter. A terrorist organisation could deliver weapons of mass destruction – even a nuclear device – hidden as innocent container goods, and there is no realistic way of planning a defence or deterrence for that kind of a threat. Yet, public opinion in a country like USA requires of its government that it prepare a defence against rogue state attacks.

Even if the North Korean missile could not reach the American Continent, it raised a response in America similar to the response in Japan. The immediate reaction was to “fix THAAD problems overdrive”.¹⁵⁴ THAAD (Theater High Altitude Area Defense) was then the most advanced project in the American plans for a Theater Missile Defense (TMD). It is still being developed, and it is supposed to target incoming missiles, while they are still at high altitudes. The project team had started test firing in 1995 but met with a number of set backs in the form of missed targets and other technical problems. New budget allocations were now made for the continuation of the test firings.

At the beginning of the new millennium, there has emerged a new dimension to the issue of ballistic missile defence in the American defence debate, and that is the tendency to point openly at China as a possible adversary. China is now more openly than in earlier ABM debates being pronounced as the real reason for the building of an American national missile defence system.

Against this background, recommendations by strategic institutes and think tanks tend to take the so-called China threat seriously. Among key recommendations about Asian reactions to U.S. Missile Defense, Michael J. Green and Toby F. Dalton recommend that USA assess China’s options objectively.

“It is important to recognise that Beijing will modernise its ICBM force for survivability no matter what the United States does with NMD. An NMD decision will probably increase the rate of that modernisation, but NMD is not the only important factor. Other factors, such as the Cross-Strait dialogue, U.S. China political/economic Co-operation, and the success of

¹⁵⁴ *Janes Defence Weekly*, 14 October 1998; 21 July 1999 and 21 August 1999.

Chinese economic reforms will also be important in determining how aggressive the Peoples Liberation Army response is.”¹⁵⁵

A study at the Institute for Strategic Studies at the U.S. National Defense University by Jason D. Ellis and Todd M. Koca concludes as follows:

“Some claims by opponents of ballistic missile defence that prospective deployments will trigger a reactive Chinese arms build up of long range missile systems tend to confuse cause and effect. China is modernising and numerically increasing its deployed missile forces; ballistic missile defence is a countermeasure against that build up, not its cause”.

A simple account of approximately 20 long range nuclear weapons for China (or even the approximately 400 currently available strategic and tactical nuclear warheads) misses a critical point: that the U.S. ability to achieve its regional security objectives, predicted in part on power projection requirements, may be adversely affected by Chinese nuclear and missile capabilities.

In response to China’s missile build up, the United States should continue to develop appropriate ballistic defence systems in conjunction with its allies.”¹⁵⁶

In May 1998, Boeing had been given a contract, potentially worth USD 5.2 billion to develop a National Missile Defense System (NMD). The project involves further developing of the THAAD as well as developing “kill vehicles”, radar systems, battle management, command and control systems in the NMD.

The NMD alone is calculated to cost USD 60 billion¹⁵⁷ with other planned ingredients in the form of a boost-phase interception system and a mid-course system

The total cost for a U.S. Ballistic Missile Defence system could be calculated at between 160 and USD 200 billion over twenty years or 8- 10 billion USD per year, which means 2.5 – 3 per cent of the annual U.S. defence budget.¹⁵⁸

None of the systems have been developed against any specific threat. The scare from the North Korean test firing, however, has helped all these projects, which have been on the drawing boards in space and defence industries for decades, to gain a new momentum. It certainly influenced the Bush camp during the pre-election planning period to take an active stand on this issue. The then Governor George W. Bush made the following statement in May 2000:

“The Clinton administration at first denied the need for a national missile defense system. Then it delayed. Now the approach it proposes is flawed – a system initially based on a single site, when experts say that more is needed. A missile defence system should not only defend our country; it should defend our allies, with whom I will consult as we develop our plans.

¹⁵⁵ Green, Michael J. and Dalton, Toby F.(2000) *Asian Reactions to U.S. Missile*, The National Bureau of Asian Research, Washington Nov. 2000 (nbr@nbr.org).

¹⁵⁶ Ellis, Jason D. and Koca, Todd M., (2000) *China Rising: New Challenges to the U.S. Security Posture*, (October 2000), Strategic Forum no. 175, Institute for National Strategic Studies, National Defence University, (www.ndu.edu/strforum/sf175.html).

¹⁵⁷ *Far Eastern Economic Review*, 21 September 2000, p. 22.

¹⁵⁸ Dörfer, Ingmar (2001), *Ballistic Missile Defense*, Swedish Defence Research Agency, Stockholm.

And any change in the ABM Treaty must allow the technologies and experiments required to deploy adequate missile defense.”¹⁵⁹

¹⁵⁹ U.S. Department of State, International Information Programs, (2000) U.S. Foreign Policy Agenda, 2000, (<http://usinfo.state.gov/journals/itps/0900/ijpe/ijpe0900.htm>).

CHAPTER TWO: BMD in Japan

Research on possible BMD systems has been going on slowly but systematically in Japan since the early 1980s.

In the middle of a delicate and unstable environment in Asia, the BMD question was jump started in August 1998, when North Korea launched a missile, which was described as a communications satellite carrying vehicle named Taepo Dong 1 SLV. It overflew Japan, and it immediately caused “serious concerns that regional destabilisation will be the consequence”.¹⁶⁰

The missile was said to carry a satellite with telecommunications equipment, but whether or not it did actually contain such equipment, it demonstrated North Korea’s capability to send a three-stage missile, carrying a small but not insignificant payload to intercontinental ballistic missile ranges.¹⁶¹ It is estimated by U.S. intelligence to have a range of 2 000 kilometres, and it is known that North Korea is working on Taepo Dong 2, which could have a range of up to 5 000 kilometres.

North Korea possesses weapons of mass destruction according to U.S. intelligence reports.

“A large number of North Korean chemical weapons threaten both our military forces and civilian population centres. We assess that North Korea is self sufficient in the production of chemical components for first generation chemical agents. They have produced munitions stockpiles estimated at up to 5 000 metric tons of several types of chemical agents. We assess that North Korea has the capability to develop, produce and weaponize biological warfare agent.

While North Korea denies possession of nuclear weapons and has frozen its nuclear program at Yongbyon, we remain concerned the North could revive a weapons production program.”¹⁶²

That and the general fear all Japanese harbour for nuclear destruction since the attacks on Hiroshima and Nagasaki explains why the reaction in Japan was immediate and drastic. The reaction was reinforced by the fact that the missile crossed Japanese air space on its way into the Pacific Ocean. Among the decisions taken as a result of the North Korean missile launching were:

- A decision in December 1998 by the Japanese Government to co-operate with the Government of USA to make research on the Navy Theater Wide Defense. A Memorandum of Understanding was signed in July 1999, in connection with a visit by the then U.S. Secretary of Defense, William Cohen.
- A decision to allocate 962 million yen in the state budget for 1999 for research on an SM-3 missile system.
- A decision ratified by Parliament in November 1998 to build four advanced reconnaissance satellites for dual use, civilian and military. The Japanese Constitution

¹⁶⁰ Self-Defence Agency, *1999 Defense of Japan*, Originally published by the Self-Defense Agency, translated and printed by Urban Connections, Japan 1999 - p.83.

¹⁶¹ Walpole, Robert (2000) *Prepared testimony* of Robert Walpole, CIA, before the U.S. Senate, February 9, 2000.

¹⁶² U.S. secretary of Defense (2000) *2000 Report by the U.S. Secretary of Defense on the military situation on the Korean Peninsula*, 12 September 2000.

prohibits military use of the outer space. The satellites shall make it possible to react faster on crises in the neighbourhood and increase the possibilities to forecast and follow natural disasters, and it will make it possible to trace missiles.

To take up co-operation with USA on research on BMD was not a new idea for the Japanese. Japan had been using U.S. equipment in its self-defence Forces, but it had also developed a rather prominent space research capability, including heavy-duty booster rockets matching the heaviest U.S. and Soviet rockets for lifting satellites into space already in the early 1980s. Its electronic industry was leading in many fields and development and research on sensor technology and exotic new materials was also well advanced.¹⁶³

When President Ronald Reagan introduced the Strategic Defense Initiative in his “Star War Speech” in 1983, it was clear that USA would need the co-operation of its allies in order to develop superiority fast enough to win the armament race over the Soviet Union. Japan was invited, and in 1985 an exchange of notes was made the basis for this work. Two new agreements and the subsequent necessary Japanese legislation also created a legal framework for the transfer of “dual use high technology”.¹⁶⁴ Before the co-operation had had the opportunity to deliver any substantial result, the SDI lost its impetus by the decline and collapse of the Soviet Union and the ensuing end of the Cold War. The focus shifted during the Gulf War to “Theater Defence” against incoming missiles.

Since the Patriot missiles already mentioned contained some elements of Japanese technology, their use in the Gulf War made it natural for USA to invite Japan to further development co-operation of these so called “Theater Missile Defenses”(TMDs). They were named thus, since they were covering only a limited area – a “Theater” - with their intended defence capability, unlike the BMD (or NMD) aiming at the defence of whole nations.

The official invitation from USA was made in September 1993, by the establishment of a Japanese American TMD working group, aimed at developing a missile defence against threats from ballistic missiles sent by so-called rogue states. A common feasibility study to make decisions on Japan’s future air defence system and technological feasibility of BMD was initiated in 1995.¹⁶⁵

In other words, when the scare came from the North Korean missile test firing in August 1998, the BMD idea had lost most of its sense of urgency, but it was not discontinued, and the ground was well prepared, the initiative this time actually came from the Japanese Parliament. It decided in September 1998, “The Government will take all measures to ensure the security of Japan”. By December the same year the Government announced that it would proceed with co-operative technical research with the United States from 1999 on the Navy Theater Wide Defense. It also declared clearly that now “there are no alternatives to the BMD system”.¹⁶⁶

¹⁶³ Kiesow, Ingolf (1993) *Asien Attraherar*, National Defence Research Establishment, Stockholm, Report A 10043-1.4 March 1993, p. 46-48.

¹⁶⁴ Ikegami-Andersson, Masako (1998) *Military Technology and U.S.-Japan Security*, Uppsala University, Gotab.

¹⁶⁵ Self-Defense Agency "1999 Defense of Japan", Originally published by the Self-Defense Agency, translated and printed by Urban Connections, Japan, 1999, p.81; Cambone, Stephen A.(1997) *The United States and Theatre Missile Defence in North-east Asia*, *Survival*, vol.39, no.3, Autumn 1997, pp. 66-84.

¹⁶⁶ *ibidem* p. 83.

CHAPTER THREE: Different areas of planned American BMD in The Western Pacific

Before dealing with the consequences of the introduction of BMD for the situation today, some basic technical information is needed regarding the different layers of the planned American BMD in the Western Pacific.

President Reagan's Strategic Defence Initiative produced a number of new research projects and a few new weapons systems, such as the Patriot, but not any system, which was in contradiction to the original ABM treaty – at least not according to the U.S. interpretation of that treaty. The program did provoke some new research in the then Soviet Union and later Russia and in China. In the case of the Soviet Union that effort may have contributed to the fall of the Union, but it did not lead to any revolutionary new technology. The Soviet Union produced a few TMD systems similar to the U.S. Patriot, and at least two of them are considered quite efficient, especially the S-300 V. However, the Russian TMD systems did not represent technological breakthroughs.

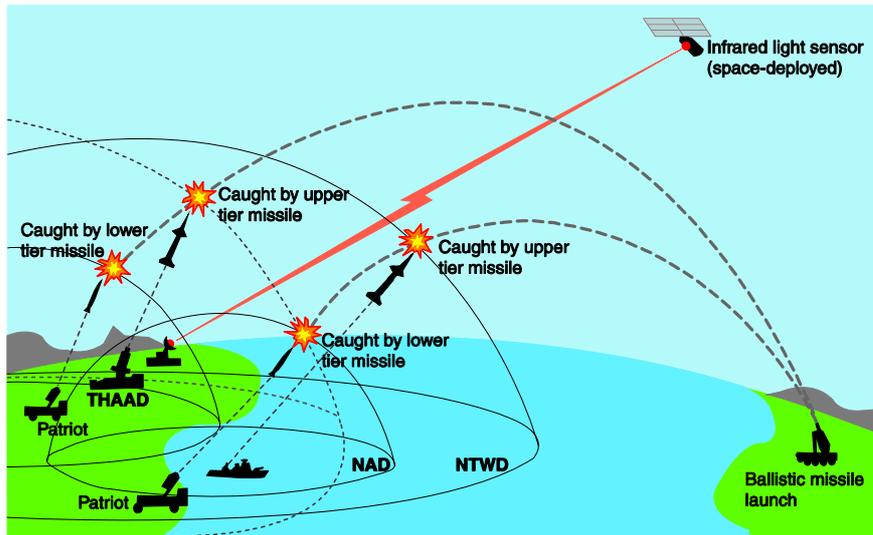
The main importance lay in the combined effects of the research efforts included in the SDI program. After the end of the Cold War President George Bush and the then Secretary of Defense, Caspar Weinberger made statements about the U.S. defence research and development policy, stressing the importance of maintaining this technological edge over the rest of the world.

The Gulf War offered a test bed for the new technologies and for ensuing new tactical doctrines. These experiences have been analysed under the concept of “Revolution in Military Affairs”, RMA. One conclusion has been the emergence of the concept of “Asymmetric Wars”, which are relevant to strategic doctrines in Asia, especially in China.¹⁶⁷

Many nations developed new missile systems, but none as systematically and wide ranging as USA. Today there can be identified four areas of existing and/or planned missile defence systems, all of them relevant to the development of the strategic environment of East Asia.

They are: lower tier TMD, upper tier TMD, U.S. NMD, and Boost Phase Intercept (BPI). They are illustrated in the picture on the next page, made at the Swedish Defence Research Agency:

¹⁶⁷ Freedman, Lawrence (1998) *Revolution in Strategic Affairs*, Adelphi Papers 318, The International Institute for Strategic Studies, London.



- Lower tier systems defend against short-range threats, such as short-range ballistic missiles (SRBMs, up to 1 000 kilometres), cruise missiles, and aircraft. There are two types, Patriot and Navy Area Defense (NAD). Upgrades of the original Patriot, renamed Patriot Advanced Capability-2 (PAC-2) was sold to Japan and Taiwan. A newer and updated version, the PAC-3 will have the capability to intercept cruise and ballistic missiles as well as aircraft and is scheduled to be available in 2001.

The U.S. Navy Area Defense (NAD) system has recently been discontinued.¹⁶⁸ It was based on the Aegis Weapon System (AWS) deployed on guided missile cruisers and destroyers. The version now in use has a demonstrated capability against both cruise and high altitude anti ship missiles, and a planned new version would have added an anti-SRBM capability around 2003.

- Upper tier systems defend against medium range threats, such as medium range ballistic missiles (MRBMs, 1 000 to 3 500 kilometres) and Intermediate Range Ballistic Missiles (IRBMs, 1 500 to 5 500 kilometres). The U.S. Army is developing the Theater High Altitude Air Defense (THAAD) system and the Navy is working on the Navy Theater Wide (NTW) system.

THAAD is designed to knock down medium range missiles (using a “kinetic kill vehicle”) and operate in both endo-and exo-atmosphere. If the current technical problems are overcome, THAAD can be deployed around 2007.

The U.S. Navy Theater Wide system will be deployed on Aegis equipped ships, possibly in conjunction with the Navy Area Defense System. In contrast to NAD, NTW cannot be used against short range or cruise missiles, but it has the ability to defend large areas from missile attack – like the whole territory of Japan and/or Taiwan. Deployment is likely to take place after 2006.

- The U.S. NMD system employs faster interceptors of longer range than those used in the upper tier TMD systems and will defend all fifty states (of the continental USA) at apex of their ballistic curve in the exoatmosphere. Current plans for NMD rely on the use of ground based interceptors. The earliest planned configuration, the C-1 will include 20

¹⁶⁸ *International Herald Tribune*, 17 December 2001.

interceptors based in Alaska and could be deployed by 2005 or 2006. It is designed to intercept up to five intercontinental ballistic Missiles (ICBMs with ranges of more than 5 500 kilometres) equipped with single warheads and simple penetration aids. An expanded C-2 system, projected to be ready around 2007, would include 100 interceptors in Alaska and could potentially defend against an attack of 25 single warhead ICBMs with simple decoys or five ICBMs with advanced countermeasures. A C-3 system, which could be fielded between 2010 and 2015, would include 250 interceptors deployed in Alaska and Grand Forks, and could potentially defeat 50 single-warhead ICBMs with simple decoys or 20 ICBMs with advanced countermeasures.

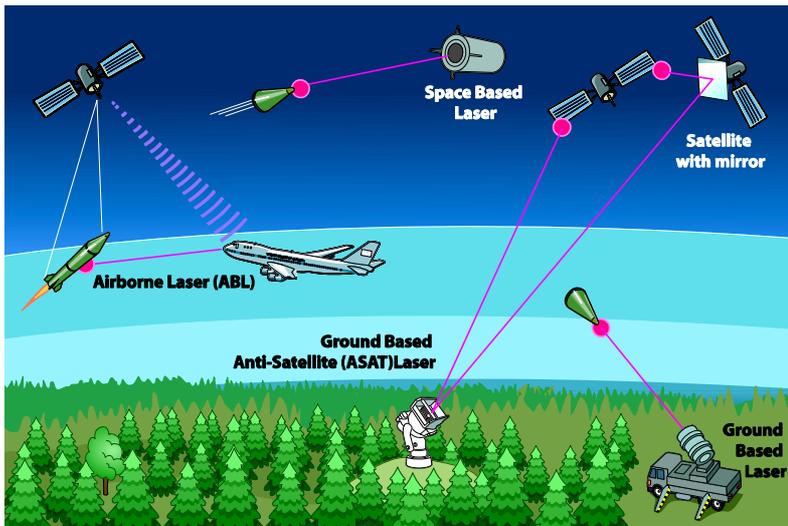
The NMD has been renamed Ground-based Midcourse Segment (GMDS) and is the part of the missile policy that has attracted most criticism both within USA and abroad.¹⁶⁹

- Boost-phase intercept systems attack a missile shortly after it is launched, while it is in its ascent phase, but before it exits the atmosphere. All ballistic missiles are most vulnerable in the first minutes after they are launched – the boost phase – because they are easy to detect and track due to the relatively slow speed while boosting and the hot fumes of the burning propellant.¹⁷⁰ Several proposals have been made for a boost phase intercept missile defence system. Because BPI avoids the complexity of warhead discrimination in the terminal phase of missile flight –the Achilles heel of the TMD and NMD systems – the countermeasures, sub munitions or multiple warheads would not fool it.

¹⁶⁹ *Defense News*, 17-23 December 2001.

¹⁷⁰ Swedish Defence Research Agency Booklet No 1 (2001) *Elektromagnetiska vapen och skydd*.

Four BPI systems are currently under discussion or development. They are illustrated in the picture below, made at the Swedish Defence Research Agency:



Firstly, the U.S. Air Force is developing the **Airborne Laser (ABL)**, which uses a converted Boeing 747 and an oxygen-iodine chemical laser to shoot down missiles in their ascent phase. A fleet of seven ABLs could perhaps be operational by 2008. A second programme under discussion is the use of **Unmanned Aerial Vehicles (UAVs)** to launch high-speed airborne interceptors. The third system being researched is a **space-based laser**. If deployed, a constellation of 20 satellites, each carrying a hydrogen fluoride chemical laser would shoot down missiles in their boost phase. This programme has been under development since the 1980s (but without any tests as yet). A fourth option, using forward-deployed Aegis ships, is under discussion as a possible **sea-based BPI system**.¹⁷¹

¹⁷¹ Green, Michael J. and Dalton, Toby F.(2000) *Asian Reactions to U.S. Missile*, The National Bureau of Asian Research, Washington Nov. 2000 (nbr@nbr.org).

CHAPTER FOUR: BMD response in East Asia and the American perception thereof

U.S. policy on the BMD issue is guided more by considerations emanating from responses in the East Asian region than from Europe or from Russia.

This may not be astonishing. North Korea's is a potential threat to its neighbours in Asia and, theoretically, even to the American homeland. Japan has participated actively in the early stages of BMD development and has a rather active role in research and development after the North Korean launching of the Taepon Dong missile. China's arms modernisation and plans to prepare for a military take-over of Taiwan (if necessary) are ambitious. China's build up of its strategic nuclear missile forces constitute a potential threat to the American homeland. Russia, on the other hand, is showing a non-aggressive attitude and an eroding nuclear arsenal. NATO countries, including Canada have generally appeared to have a rather disinterested or sometimes negative attitude to BMD.

Against this background, it is natural for U.S. studies to focus on the consequences in Asia in order to prepare for the continuation of the BMD build up. Two such studies will be taken as examples of the conclusions reached in America. The first study¹⁷², made by The National Bureau of Asian Research (NBR), deals with the whole BMD issue.¹⁷³

A Stimson Center working group deals only with the TMD issue and made the second study.¹⁷⁴ It had been given the specific task to make recommendations about future American sales of TMD weapons, which means that it does not comment on countries that are not potential adversaries.

Japan

According to the American reports, if the United States is to carry out its alliance tasks, U.S. forces based in Japan require protection against missile attacks on their bases.

Missile defence decisions in Japan are taking place in the larger context of a changing Japanese strategic culture, more permissive defence politics and a more assertive debate on TMD. However, Japan has not shown any interest in the Theater High Altitude Air Defense (THAAD) nor in the discontinued Navy Area Defense (NAD) systems.

While North Korea's short range Nodong missile poses the immediate ballistic missile threat to Japan – because the U.S. "nuclear umbrella" does not so easily deter it over Japan and because of the animosity against Japan over historical issues, it is China's medium-range ballistic missiles (MRBMs) that pose the long-term threat.

According to experts interviewed in Japan, this American perception was basically confirmed, but moderated by the following observations. Although in general, there was no hiding that Japan is gradually acquiring a more independent defence capability, not through planned

¹⁷² Green, Michael J. and Dalton, Toby F.(2000) *Asian Reactions to U.S. Missile*, The National Bureau of Asian Research, Washington Nov. 2000 (nbr@nbr.org).

¹⁷³ The two studies are similar in content, but have been made during somewhat different periods in time.

¹⁷⁴ *Theater Missile Defenses in the Asia-Pacific Region: A Henry L. Stimson Center Working Group Report*

procurement or training, but because of the technological development, Japanese technology is providing the country with more and more domestic capability. It was usually stressed, however, that this does not imply any intention to act independently. The defence treaty with USA will remain the cornerstone for all defence matters. TMD is the only element of BMD, included in Japanese defence planning. The Japanese research in this field was regarded more as a pre feasibility study. It was seen as a tactical system and not as a threat to the strategic balance. It is intended as defence against attacks by the so-called rogue states only. Japan participates in the TMD for the sake of the alliance with USA. TMD is not possible for Japan to use independently. It is also strictly defensive in the hands of Japan. The technology is still regarded as uncertain.

However, it was observed that if TMD were to be combined with a BPI system, it could become something more, a beginning of a national missile defence for Japan.¹⁷⁵

There are several factors that make the decisions about a possible acquisition of missile defence systems difficult for Japan.

- TMD is expensive.
- NTW is not proven technology.
- There are legal and constitutional issues.
- Although Japan's view of China has become markedly more negative in recent years, many public officials in Tokyo worry about being drawn into a China Taiwan conflict by participating in a U.S. missile defence system that could extend to Taiwan.

(On this issue, it should be added that, according to Japanese experts interviewed by the author, Japan U.S. relations have changed after 1997. They have become more directed toward regional stability, Taiwan, South China Sea, sea-lanes etc. At the same time, South Korea and Japan improve relations rapidly, which further strengthens the pattern of regional

¹⁷⁵ The American perception of the Japanese attitude to the different layers of BMD, is described as follows:

Lower Tier: Japan has deployed PAC-2 plus and will likely procure PAC-3 when it becomes available in the next few years.

Upper Tier: Japan is likely to continue with joint NTW development and will probably decide to procure and deploy the Block I system when it becomes available around 2007. (Japan committed \$ 10 million in fiscal year 2000 for joint research with The USA on NTW and is planning on funding development of a continuation of that project at 250-350 million for 2000-05.)

U.S. National Missile Defense: At a meeting of the Diet on 1 August 2000, the Japanese Prime Minister, Yoshiro Mori stated that Japan "understands" why the United States is pursuing NMD, it was noted in both the American reports.

They also observed that one complication for Japan, arising from its possible engagement in the NTW development, is the breakout potential for the (upper tier sea based) NTW to be used as a sea based platform for NMD. A proposal by the U.S. Navy to use NTW as a part of the NMD architecture may worry some Japanese policymakers who do not want Japan to be implicated by China as a participant in the U.S. NMD system.

Boost Phase Intercept: Japan has made no official statement on U.S. plans for a boost phase intercept system. The Aegis platform might be appropriate for a possible BPI system. If the United States does choose to pursue a sea based or air based boost phase system in Asia, Japanese support would - in the opinion of the NBR - be crucial because both systems would likely be based in Japan.

co-operation. That is a concern for China, because it means in practice another alliance enlargement. To achieve real stability in the area, confidence-building measures are required, but China does not accept the idea of disarmament and weapons control as yet. Some observers thought that there is a need really to put pressure on China on this issue. PLA was perceived to be very different from the civilian leadership, much more nationalistic and getting more influence, which should be given attention).

The Stimson Centre working group recommends the United States to keep Japan involved in the NTW development process, but leave any future deployment options for Japan open. Any deployment of upper tier TMD for U.S. and Japanese forces should be conducted in a way that strengthens the credibility of the alliance. Decisions regarding command and control arrangements of upper tier TMD systems will be a critical issue in the U.S.-Japan alliance as well as in Japanese civil military relations.

There is concern within the Asia-Pacific region about the long-term implications of Japan having its own upper tier TMD systems under independent command and control. The region is equally concerned about the United States, Japan and South Korea, and possibly Taiwan combining their TMD assets into a Northeast Asia TMD network. Therefore, the Stimson working group recommends that the U.S. and Japanese governments study in detail the long term implications of integrating or not integrating TMD systems, before deployments proceed. Furthermore, the U.S. government needs to clarify that missile defence systems complement, and do not substitute for, extended nuclear deterrence.

While the Japanese goal is a national missile defence system with a stand-alone capability, rather than to provide support for a U.S. system, the working group believes that deployment and operation of upper tier systems by the Japan Self-Defense Forces (JSDF) could have significant foreign policy consequences for Japan. The U.S. and Japanese governments should jointly assess in depth the diplomatic, political and military ramifications of Japanese NTW for Sino Japanese relations and Sino American relations. Missile defences should be discussed in the context of overall regional – and global security strategy.

Republic of Korea

According to the American analyses, U.S. missile defence requirements are quite different from South Korean priorities. South Korea must balance its security needs against its desire for peace and unification with North Korea.

South Korea properly assumes that the United States would deploy additional lower tier TMD systems to help protect sites essential to allied military operations. Forward deployed, lower tier TMD systems operated by U.S. forces would have an integrated command and control system, further strengthening alliance ties.

Defence experts in Seoul stated to the author that South Korea does not want a national Korean TMD, the reasons being:

- Protection is not good enough against nearby missiles,
- It is too expensive,
- China would react negatively,

- Korea benefits from the protection of the U.S. TMD umbrella over the U.S. troops in Korea, even without a national Korean missile defence.

South Korea's President wants USA to remain in the area after a possible reunification of Korea, and North Korea's President Kim Jung-II has told him that he would tolerate continued U.S. presence in Korea. The significance of this statement by the North Korean leader is not altogether clear, but it seemed that certain government officials in Seoul feel that continued U.S. military presence in Korea of some kind would be possible even after reunification – should such a development ever occur.

Some Korean experts thought that NMD is a source of insecurity, because of the tendency to provoke a Chinese-Russian collective attitude in opposition to BMD in general. It may be added that in Japan the experts were of the opinion that the present tie up of Russia and China in the Shanghai 5-Group is nothing more than a “marriage of convenience”. They find it convenient to use it also for opposition against the American BMD plans, and it will not lead them into further co-operation in military and strategic matters. Russia has its own problems with China in the Russian Far East. The South Korean experts, however, expressed concern that Japan's participation may cause an arms race, since China fears a Japanese military build up. China and North Korea and Russia all feel threatened by Upper tier TMD. Japanese-Korean relations are improving fast, but at the same time, Chinese-Japanese relations become increasingly competitive, which is a worry for South Korea, according to the Korean defence experts.¹⁷⁶

The Stimson Centre working group considers that while land based, upper tier TMD deployments in South Korea could provide some utility against longer range North Korean missiles aimed at Japan or U.S. bases located in Japan, a far stronger case can be made for sea based, upper tier TMD deployments by the U.S. Navy. These weapons have already proven their interception capabilities through rigorous flight-testing. The Working group supports the deployment of sea based, upper tier TMD systems that would not be “South Korea specific”. Instead, they would serve as instruments of regional security against existing and prospective ballistic missile capabilities that could harm U.S. forward-deployed forces, friends, and allies in the region.

¹⁷⁶ The following is the U.S. perception of the situation in Korea's relation to the different layers of BMD:

Lower Tier: South Korea supports the current U.S. Patriot deployment there, although it will not likely be in the financial position to purchase its own lower tier system soon.

Upper Tier: Currently South Korea would likely support U.S. upper tier deployment, which could consist of several THAAD units. But if North and South Korea reach a peace agreement, South Korean support for TMD would probably decline significantly.

U.S. National Missile Defense. While many of its Asian neighbours criticised U.S. NMD plans at the Asian Regional Forum in July 2000, South Korea remained silent.

Boost Phase Intercept: There is no official position on a U.S. boost phase system. Korean support, should the United States deploy such a system, could be important, since Airborne Laser (ABL) might be based in South Korea and sea based assets would require anti submarine, anti air and other South Korean support to operate near the peninsula. Alternatively, if the peace process is successful, South Korea may be less supportive of U.S. missile defence and may raise barriers to U.S. basing of missile defence assets in Korea. This could complicate U.S. NTW, sea based NMD, or boost phase intercept plans.

Taiwan

According to U.S. intelligence, the transfers of some TMD systems to Taiwan could produce a wide range of negative consequences for cross strait and U.S.-China relations. The main concern is to avoid giving Beijing the impression that the U.S. Taiwan mutual defence treaty is being restored.

China first began deploying short-range M-9 and M-11 missiles opposite Taiwan in 1990, and the number of deployed missiles is estimated to grow from the 150-200 currently deployed to possibly 650 in the next several years.

In the mid-1980s Taiwan began the development of an indigenous lower tier system called Tien Kung (Sky Bow), which is similar to the U.S. Patriot system. In 1993 Taiwan requested purchase of the PAC-2 system, but Washington wavered, instead allowing Raytheon to sell Taiwan Patriot fire control units to augment the Tien Kung, which Taiwan deployed in September of that year.

In June 1994 Raytheon signed a PAC-2 contract with Taiwan, but delivery was slow. After China test fired more SRBMs near Taiwan in March 1996, just prior to Taiwan's first democratic election, the United States agreed to speed up delivery of the PAC-2 units, which began in January 1997. During the 1999 annual arms sales talks, Taiwan requested four Aegis equipped destroyers (with a view toward sea based TMD) and the PAC-3 system. Washington deferred a decision on whether to approve this purchase.

After the NRB and Stimson Centre reports were made, the annual arms sales talks were held with Taiwan during the spring 2001. Taiwan requested permission to purchase:

- Four destroyers equipped with the Aegis battle management radar system,
- Four Kidd class destroyers,
- 12 Orion PC-3 submarine hunting aircraft and
- A variety of other air, ground and naval systems.

All these requests with the exception for the Aegis destroyers were approved for sale. This should be seen against the background of the recommendations in the above-mentioned reports and other recommendations from U.S. military expertise. They believed that Aegis equipped ships operated by the U.S. Navy, working in conjunction with other U.S. military assets, would have far more utility than Aegis equipped ships operated by Taiwan's navy. Thus, the Stimson working group believed that TMD on U.S. ships would serve as a better response to Beijing's missile build up and enhance regional stability, while averting steps that might precipitate political and military crises that the United States seeks to avoid.¹⁷⁷

¹⁷⁷ The U.S. perception of Taiwan's relation to the BMD reads as follows: *Lower Tier*: If the United States does not sell PAC-3 or Aegis to Taiwan, Taiwan may well request coverage under a U.S. deployed Navy Theater Wide system (or NTW).

Upper Tier: Taiwan has deferred its interest in an upper tier system at this time. The military utility for Taiwan of such a system is even less than for a lower tier system. Should the United States or Japan deploy an upper tier system in East Asia, Taiwan will almost certainly request coverage, particularly if cross-Strait relations remain tense. Exclusion from TMD might provide the impetus for Taiwan to begin work on a counter strike force, and this outcome would be equally, if not more disturbing.

U.S. National Missile Defence: Taiwan has no official policy on U.S. National Missile Defense.

By the time Taiwan or the United States deploys PAC-3, NAD, or NTW, China will be likely to field so many SRBMs in Fujian province that any TMD system could be overwhelmed. It is therefore the political significance of TMD (principally the Aegis, but also PAC-3) for Taiwan that is important to its security. If the United States denies the sale of Aegis, Taiwan hopes to be included in a regional shield operated by the United States. In either case, the result would be closer defence co-operation between Taiwan and the United States and an increase in Taiwan's security.

The Stimson Centre working group concludes that the sale of upper tier TMD systems to Taiwan should not be considered for the time being, but should be considered in the future, depending on the evolution of the ballistic missile threat to Taiwan. The working group, however, supports additional transfers of land based, lower tier TMD systems. The basic message the United States now needs to convey to Beijing and Taipei is that the use of force across the Taiwan Strait would have profoundly negative ramifications for the entire Asia Pacific region. "U.S. arms sales should reinforce, not undercut this message."

The People's Republic of China

According to the American reports, TMD (particularly U.S.-Taiwan TMD co-operation), and even more so NMD, would present complex strategic challenges for China. TMD would reduce China's ability to coerce Taiwan and divide Japan and the United States in a crisis, while NMD would reduce China's overall ability to deter the United States. As long as the United States is the dominant power in Asia, China cannot be "the pre eminent Asian power".

China's arguments against the deployment of U.S. NMD include:

- Missile defence runs against the trend of the time and does not help the international arms control and disarmament efforts. It will have a far-reaching and profound negative impact on the global and regional strategic balance and stability in the 21st century.
- Missile defence violates the ABM Treaty.
- Missile defence perpetuates the Cold War mentality.
- Missile defence encourages an arms race.
- Missile defence leads to missile proliferation.
- Missile defence threatens the non-proliferation regime.
- Missile defence leads to anti satellite (ASAT) capability. Chinese experts have warned that NTW would have the ability to strike Chinese satellites in low orbit.

While talking to Chinese experts, the author tried to find out if there are other contributing reasons for the Chinese positions. The result was that basically all official arguments (as listed above) against the U.S. NMD were repeated on different occasions and by different persons. However, it was also said that China opposes any kind of modification of the ABM Treaty, even a limited one, because it would mean a break through and be the beginning of further steps by USA on the way to a hi-tech arms race. Therefore, China opposes any kind of a compromise. It was confirmed that not even a limited BPI defence system would be allowed in any arrangement wherein China would become a partner.

USA was accused of trying to invent an enemy in order to excuse its own excessive armaments. Both threats from so-called rogue states and China were said to be imaginary and

nonsensical. On TMD it was said that they watched carefully if TMD is given to Taiwan. Aegis is a part of the future U.S. TMD system. U.S. Congress must avoid giving that to Taiwan.

Concerning Japan, several experts mentioned the troubled past history and the “evil” memories of Japanese occupation. One person elaborated on the wish for a better-balanced U.S. relationship in the “triangle” between China, America and Japan, claiming that the latter gets too much attention and favours. Another attacked the Japanese White Paper on Defence 2000 for painting a Chinese threat picture as an excuse for getting more money from the taxpayers.

A paper by Hong Yuan, Chinese Academy of Social Sciences illustrates the impression of Japan that seems to influence Chinese strategists:

- The strategic evolution in Japan has its own covert purpose and target. The TMD is a “breakthrough of military revolution”.
- The TMD is a weapon system with both defensive and offensive capabilities. Moreover, “it is a guarantee for Japan to be a big military power”.
- To get rid of its own public-relations dilemma, “Japan is taking a building shields first, then swords- policy”.
- We can assume that once TMD is deployed, Japan will get itself nuclearized and go forward to become a military power.¹⁷⁸

The American reports on the Asian response to TMD include the conclusion that because of the long lead times involved in developing a new missile, it is evident that China had already built and would build new systems regardless of the U.S. missile defence plans. There is no evidence that China has made a decision to speed up its current modernisation effort and deploy DF-41s instead of the older DF-5 (currently China’s only missile capable of reaching USA). No decision to MIRV them (outfit them with multiple, independently target able re entry vehicles) in order to overwhelm U.S. NMD seems to have been taken.¹⁷⁹

¹⁷⁸ Yuan, Hong (2000) “*The influence of TMD system in Japan on China's security*”, paper distributed during a seminar at FOI, November 2000.

¹⁷⁹ *Lower Tier*: Taiwan's current lower tier capability does not threaten to undermine China's overwhelming missile superiority. (In fact, China is developing its own lower tier system based on the Russian S-300 SAM.) Neither would China be overly threatened by a Taiwanese upgrade to PAC-3. Any U.S. assistance with PAC-3, however, including early warning or systems integration, would produce a much stronger Chinese response. *Upper Tier*: An upper tier defence would have some operational impact on China, since the lower rate of penetration could force Beijing to consider the more politically difficult option of Weapons of Mass Destruction (WMD) to attack hard targets. Beneath its general anti missile defence position, Beijing appears to have taken two separate response paths - one for current U.S. NTW cooperation with Japan and one for possible U.S. cooperation with Taiwan. With regard to U.S.-Japan NTW cooperation, Beijing has focused its criticism on the dangers of Japanese nuclear armament, the integrating effect on the U.S.-Japan alliance, the impact on China's deterrent, the possibility for deployment to Taiwan, and violations of the agreement on a Missile Technology Control Regime (MTCR).

China currently deploys 80 or more missiles capable of reaching Japan. If Japan or the United States deploys an upper tier system, China has two options: either qualitatively or quantitatively to build up its MRBM forces in order to overwhelm TMD of its adversaries, or to attack TMD assets (radar installations, potentially satellites, and Aegis ships).

Even if Beijing has internalised the likelihood of Japanese participation in TMD, there is no question that China will take strong and deliberate actions in response to a U.S. decision to include Taiwan in NTW development or deployment. It is less probable, but not impossible that China may feel it necessary to use force pre-emptively

On the other hand, U.S. intelligence experts believe China *will* increase its ICBM forces to 200 deployed warheads by 2015 if the United States deploys NMD. This represents both a significant qualitative and quantitative improvement in Chinese nuclear forces beyond current Chinese planning. Typical Chinese countermeasures could include separating Re-entry Vehicles (RVs), spinning RVs, decoys, and shrouds. It is assumed that China has the technological prowess to employ such countermeasures, and it has probably been developing them for some time.

The American experts believe that there are also considerations that lead to limitations of the number of choices available to China. The closer the United States and China become economically, the less likely it is that China will pursue responses that could harm this relationship (for example, proliferation of missiles to third countries, which would result in swift legislative sanctions from Capitol Hill).

Democratic People's Republic of Korea

The Taepo Dong missile, which overflowed Japan in the direction of Hawaii in 1998, raised U.S. concerns that soon a missile capable of reaching the United States could be for sale. According to the American reports, the short range North Korean Nodong missile is suspected of being closely related to the Pakistani Ghauri and Iranian Shahab missiles. The longer range Taepo Dong could become North Korea's next missile export. From North Korea's perspective, missile sales are necessary to bolster its faltering economy. There are some signs that North Korea, in order to raise funds, would be willing to barter for its missile program and prepared to agree to halt missile testing while it negotiates with the United States.

Both TMD and NMD would reduce North Korea's ability to blackmail, coerce, and even deter the United States and its Asian allies, according to the American reports. During the Cold War the Soviet Union provided some measure of guarantee to North Korea that U.S. air assets in Japan would remain at risk. With the end of Soviet and Chinese military support, North Korea has had no choice but to take on that mission unilaterally. North Korean improvements over the decades to Russian and Chinese based SCUD technology finally allowed the North to develop its own missiles in the 1990s, capable of fulfilling this mission. Assuming that North

against Taiwan prior to U.S. TMD deployment, particularly if it believes that the U.S. Taiwan defence partnership is qualitatively increasing.

U.S. National Missile Defence: Chinese defence experts continue to debate whether countermeasures or the next generation of Chinese ICBMs could overwhelm a U.S. NMD system. There is, nevertheless, a broad consensus in Beijing that NMD deployment would erode China's deterrent. Currently China has 20 DF-5 missiles capable of hitting the United States, and it is likely that a C-1 system could disable most of them. A more capable system, perhaps including an enhanced NTW element, could possibly intercept all of China's current ICBMs. And if the United States could rely on NMD to intercept some tens of ICBMs, a first strike against China would reduce the number of incoming missiles to the point where the United States might become protected. This would seriously diminish China's ability to deter or coerce the United States.

Boost Phase Intercept: China has made no official statement regarding BPI, and at this point it is only possible to speculate on the Chinese response to this type of system. It is likely that BPI is less problematic for China than NMD, since its DF-5s are probably based too far inland (at Xuinhua and Luoling) to be threatened by Air Borne Laser, sea based BPI or an unmanned aerial vehicle based BPI system. Overall, BPI would not justify massive Chinese ICBM proliferation because the coverage would not threaten China's deterrent to the extent that NMD would.

Korea does not barter away its missile program, NMD and TMD will counter that capability and leave North Korea exposed. North Korea does not have many concrete options to counter U.S. missile defence. Although recent peace initiatives have had some success (exemplified by the 2000 summit between Kim Dae-jung and Kim Jung-II), North Korea has actually increased its operational tempo and deployed approximately 100 short-range Nodong missiles.

President Putin reported from his visit to Pyongyang in June 2000 that Kim Jung-II offered to give up North Korea's missile program in exchange for commercial satellite launch services. This offer was not taken seriously in USA. How North Korea responds to a U.S. deployment of TMD and NMD will depend on several other variables. The state of its own missile program and the state of the North South dialogue could influence North Korea's reaction.

For the near future, the U.S. perception is that regardless of the U.S. missile defense, it appears highly unlikely that the short range Nodong missile threat to the region will subside. Meanwhile, the longer range Taepo Dong missile threat will continue to grow.

Russia

Since part of Russia is situated in Northeast Asia and has an important role in the strategic picture there, some basic reflections relevant to the region in the American reports merit mentioning.

Russia has been playing the game of strategic offence and defence with the United States since the beginning of the Cold War and, as party to the ABM Treaty, is more familiar with this diplomatic arena. Nevertheless, like China and North Korea, Russia has been strongly opposed to the American NMD plans.

Russia's weak financial position will force the retirement of thousands of warheads, leaving Russia with possibly as few as 1 000 deployed strategic warheads by the time NMD is deployed.¹⁸⁰ This has most likely been an important reason for President Putin to modify the opposition to the American BMD plans from being strongly opposed to calling it a mistake

¹⁸⁰ *Upper Tier*: Although NTW probably violates the high velocity limitations set fourth in the 1997 TMD demarcation agreement, Russia is unlikely to do more than protest. It is possible that Russia might help China attempt to defeat such a system, for example by selling it more advanced anti ship cruise missiles (ASCMs).

U.S. National Missile Defence: How Russia responds to the U.S. NMD will hinge in large part on whether the United States can convince Russia to renegotiate the ABM Treaty to allow a limited system.

Russia has also tabled a proposal in the strategic talks for a warhead ceiling of 1 000-1 500 and could insist on this deep reduction in forces in exchange for an ABM deal.

Specific to its role in Asia, Moscow could also pursue a closer relationship, perhaps even a defence partnership, with China. However, there are limits to this relationship. China's nuclear build up could erode Russia's nuclear superiority, further weakening Russia's position in the Far East. Sino-Russian cooperation against missile defence may not amount too much more than low-level defence cooperation and certainly nothing akin to the Sino-Soviet relationship of the early 1950s.

Boost Phase Intercept: It is unclear how Russia might react to a boost phase intercept system. BPI would be much less effective against Russia's nuclear deterrent than land based NMD. It could not shoot down any ICBMs launched from deep within Russian territory and might therefore be more palatable to Moscow.

that is however, unlikely to threaten Russia. That development will be dealt with below under Chapter five.

India

According to the American reports, India has been opposed to missile defence in general, because it has feared China's reaction. India's missile development activities reveal a greater fear of China than of Pakistan, which is India's most likely adversary because of the conflict about Kashmir. When India made its nuclear weapons test in 1998, defense minister Fernandes mentioned fear of China's intentions as a main reason for the development of nuclear weapons.

One possibility for India to increase its relative military capability is to upgrade its defence relationship with Russia. Although it is not clear if Pakistan or India is really close to taking that step, India has discussed the possibility to develop a Submarine Launched Ballistic Missile system since the 1980s and studied Russian submarine technology. Further development of that project would give India a second strike capability.¹⁸¹

Because of its longer range, there is no practical need for developing the Agni II MRBM India tested in April 1999 for use against Pakistan, but it can strike within Chinese Territory. Chengdu and Liupanshui, both large Chinese cities, would be within the range of the Agni II, as would several missile bases.

It merits mentioning, that since the American reports were written, India test fired a nuclear capable Agni II ballistic missile on 17 January 2001 "in its final configuration" meaning that India will be prepared to start its production soon. The test firing coincided with a visit to India by Li Peng, China's second highest leader.¹⁸² The message was clear; China should be aware that India has a nuclear response capability. India's test firing of the Agni II means that an arms race is already going on between China and India, at least in the opinion of some American commentators.

There are many in India, who see it the same way, as was illustrated by substantial increases in the defence budget (by 28 per cent for the budgetary year of 2000 and by 13.8 per cent for 2001) as well as plans for both submarine launched ballistic missiles and cruise missile systems.¹⁸³

Another factor has contributed to a change in India's attitude to the BMD issue, namely a generally improved relationship with USA.¹⁸⁴ Russia is no longer a super power with capability to back up India as a regional power (albeit Russia remains in its role as India's main arms supplier). USA has a great economic power of attraction that has become more important to India with the modernisation of its industry. A rapprochement had begun in early 2001, and since then, it has been in India's long-term interest to support USA. Indian politicians have expressed "understanding" for the American BMD plans and have not been

¹⁸¹ *Japan Times*, 23 February 2001.

Japan Times, 23 February 23, 2001 P. 4, *Hindustan Times*, 18 January 2001.

¹⁸³ *The Hindustan Times*, 13 February 2001.

¹⁸⁴ See the article "Up-dating the introduction to Part Two; The consequences of the War in Afghanistan for Central Asia and South Asia.

criticising them. There are also discussions about the purchase of seven Israel produced Barak ship based anti missile systems.¹⁸⁵

¹⁸⁵ *The Hindustan Times*, 11 February 2001

CHAPTER FIVE: Changes under President George W. Bush

During 2000 a report by the Center for Strategic and International Studies in Washington concluded that from China's perspective, even a relatively limited U.S. NMD program would seriously degrade current China missile attack capabilities if China launched anything but its entire ICBM force in a single volley. However, China seems likely to increase its ICBM, SLBM and cruise missile threat against the United States in any case. China's actions will be shaped by intentions and not by any limits on its capabilities. The basic conclusion was that USA needs a homeland defence that is matched by sea-based theatre missile defences for the U.S. fleet, the defence of U.S. bases and facilities in Japan and by missile defence of Taiwan.¹⁸⁶

However, a series of unsuccessful missile tests resulted in a decision by President Clinton, announced on 1 September 2000, to defer the decision about initiating the construction of radar facilities needed for the NMD programme until the president for the next term had been installed. The programme was not entirely halted for the rest of that autumn, but no new tests were made.¹⁸⁷

The Secretary of Defense in the Clinton Administration made a report to Congress on Theater Missile Defense Architecture Options for the Asia-Pacific Region. "Due to time constraints", the report did not examine boost-phase intercept systems like Airborne Laser (ABL) and Space-Based laser (SBL). This was not done until the beginning of 2001.

After installation of the new President

On 11 January 2001, a commission under chairmanship of Donald Rumsfeld then concluded that the relative dependence of the United States on space makes its space systems potentially attractive targets. Response is needed, especially against China, in order to avoid a "Space Pearl Harbour". A number of recommendations are made "to enable the U.S. to sustain its position as the world's leading space-faring nation." They include such measures of space warfare as to acquire

"Space systems that can be deployed in independent operations or in support of air, land and sea forces to deter and defend against hostile actions at the interests of the United States".¹⁸⁸

One of the first actions by the new presidential administration was to initiate work by a think tank under the Director of Pentagon's Office of Net Assessment, Andrew Marshall to offer a fresh look at how to structure U.S. forces in the post Cold War period. It seemed probable that the administration would try to establish a new military strategy to enable the United States to pull back its overseas military presence and replace it with new capabilities.

President Bush made a major speech on missile defence 1 May 2001. He called for an ambitious anti-missile system and said that it was time to "move beyond the constraints of "

¹⁸⁶ Cordesman, Anthony (2000), *China and the U.S.: National Missile Defenses and Chinese Nuclear Modernization*, Center for Strategic Studies, Washington, pp 1, 6, 21 and 24-25.

¹⁸⁷ Baucon, Donald R. (2000) , *History of ballistic Missile Defence* , <http://www.defenselink.mil/pubs>, accessed 6 December, 2001.

¹⁸⁸ *Report of the Commission to assess United States National Security Space Management and Organisation; Executive summary Pursuant to Public Law 106-65, January 11, 2001*, Washington D.C.

the ABM treaty. He promised unilateral cuts in the U.S. nuclear arsenal and close consultations with friends and allies. He added:

“We will reach out to other interested states, including China and Russia. We’re not presenting our friends and allies with unilateral decisions already made”.

He urged U.S. friends and other major powers, notably including Russia, to join in forging a broad new approach to mutual security that would no longer revolve around the Cold War notion of nuclear deterrence.

The new Secretary of Defense was Donald H. Rumsfeld, who also served as the chairman of the Commission to Assess the Ballistic Missile Threat to the United States. He initiated a thorough series of studies of the American defence policy, of which the most important result was the Quadrennial Defense Review published 30 September 2001, three weeks after the attack on the World Trade Center in New York.¹⁸⁹

The report contains an ambitious approach to the BMD issue. Development of BMD is given priority. Three new features are prominent in the new approach. The missile defence is to be integrated into other defence systems, it shall be multi-layered, and it shall protect not only American people but also U.S. friends and allies (as had already been declared by the president in his 1 May speech):

“The continued proliferation of ballistic and cruise missiles poses a threat to U.S. territory, to U.S. forces abroad, at sea, and in space, and to U.S. allies and friends. To counter this threat, the United States is developing missile defences as a matter of priority. Integrating missile defenses with other defensive as well as offensive means will safeguard the Nation’s freedom of action, enhance deterrence by denial, and mitigate the effects of attack, if deterrence fails. The ability to provide missile defenses in anti-access and area-denial environments will be essential to assure friends and allies, protect critical areas of access, and defeat adversaries. DoD must be prepared to provide near-term capabilities to defend against rapidly emerging threats and more robust capabilities that evolve over time”.

DoD has refocused and revitalized the missile defense program, shifting from a single-site

“National” missile defense approach to a broad-based research, development, and testing effort aimed at deployment of layered missile defenses. These changes in the missile defense program will permit the exploration of many previously untested technologies and approaches that will produce defenses able to intercept missiles of various ranges and in various phases of flight. These defenses will help protect U.S. forward-deployed forces. Moreover, they will provide limited defence against missile threats not only for the American people, but also for U.S. friends and allies.”

The BMD debate continues

Rumsfeld seemed to have a substantial BMD plan in his mind. However, opposition has always been voiced against the NMD plans, also in USA. Some warnings have appeared from

¹⁸⁹ *Quadriennial Defense Review Report*, <http://www.defenselink.mil/pubs/qdr2001.pdf>, accessed 7 December 2001.

security advisers such as the special assistant to the former president Bill Clinton for Defense Policy and Arms Control, Hans Binnendijk. He is afraid that “overreaching” could divide the Atlantic Alliance and possibly drive Russia and China together in a true strategic partnership.¹⁹⁰ Criticism of the BMD programs was heard on the grounds that the new technologies are all untested and not to be trusted. Pentagon officials were for instance quoted, as saying that a sea based missile defence cannot be in operation within a decade. Boost Phase Intercept systems were not to be expected until 2003 and then only in testing. Deployment will not take place before 2007. Even if the programs were to be accelerated – which is an expected outcome of the “top-to-bottom” review – a workable missile defence system “is still years away”.¹⁹¹ Other technical objections were added. Analysts said that the effectiveness of the high-frequency x-band radar that is a key component of the NMD might be weakened by rainy weather.¹⁹² Wobbling, rudimentary warheads from rogue states would be the most elusive targets according to some Pentagon scientists.¹⁹³

Senator Joseph Biden was leading a democratic campaign during the summer 2001 to reduce funds for missile defence testing. Strategists like Thomas L. Friedman argued that testing in breach of the ABM Treaty would be harmful to U.S. interests, since it would induce president Putin to reverse his going-west policy.¹⁹⁴ Melvin A. Goodman argued that a serious problem would arise, if the BMD could be made to work, in the form of reactions from the international community. Ties between Russia and China would improve, angry reactions from European allies would weaken the American leadership of NATO, the U.S. counter-proliferation and disarmament policies would be weakened and America would lose its limited leverage on the nuclear policies on India and Pakistan.¹⁹⁵

However, the general tendency in Congress has been one of support to the Administration’s pursuit of ballistic missile defences, as was stated in an address to the Asia Society by the Chairman of the House International Relations Committee, Mr. Henry Hyde in February 2001. He also underlined the importance of forward based American forces, and he countered critics in the region with the argument that proliferation of ballistic missiles in China and North Korea had made the BMD necessary.¹⁹⁶ That majority standpoint was not changed during the year 2001.

Some success was also achieved in BMD research. The optical systems component of a planned space based BPI laser weapon was successfully tested in January 2001.¹⁹⁷ That has a special significance, since President Vladimir Putin has expressed that Russia might even co-operate with USA in developing such a system in the context of a “common shield”.¹⁹⁸ That would make it easier for the U.S. administration to get a broad support in Congress. Other BMD efforts made some headway. The Department of Defense announced its decision to begin the site preparations for the potential deployment location in Alaska for Interceptor silos and Command and Control facilities for the NMD system.¹⁹⁹ On 3 December 2001 a test

¹⁹⁰ *International Herald Tribune*, March 2001.

¹⁹¹ *Far Eastern Economic Review*, 22 February 2001 p.29.

¹⁹² *Defense News*, 20-26 August 2001.

¹⁹³ *International Herald Tribune*, 20 July 2001.

¹⁹⁴ *International Herald Tribune*, 29 November 2001.

¹⁹⁵ <http://homelandsecurity.org/journal>, accessed 4 December 2001.

¹⁹⁶ Hyde, Henry (2001) *A Congressional Perspective on Asia at the Outset of the Bush Administration* Address to the Asia Society, February 28, 2001.

¹⁹⁷ *International Herald Tribune*, 27 January 2001.

¹⁹⁸ *International Herald Tribune*, December 2000.

¹⁹⁹ <http://www.defenselink.mil/news>, accessed 60 December 2001.

involving a planned intercept of an intercontinental ballistic missile was successfully completed over the Pacific Ocean. It was the third successful intercept in five attempts to use an “exoatmospheric kill vehicle” to intercept and destroy a long-range ballistic missile.²⁰⁰

²⁰⁰ Ibidem.

Reactions from other countries

Efforts to persuade the **U.S. allies in Europe** to abandon their initial scepticism and even opposition have been moderately successful. The EU High Representative for the Common Foreign and Security Policy, Javier Solana, has been quoted as saying that prospects for NMD backing have improved; France's Foreign Minister Mr. Védérine has toned down former, rather sharp criticism from his own country. Germany's Foreign Minister, Mr. Fischer, has been quoted saying that in the NMD issue Germany is basically on the side of USA. Britain's Prime Minister, Mr. Blair has said, "there is a way through which we meet America's objectives and other peoples' concern".²⁰¹

President Putin on his side formally handed over a proposal for a common European shield (of Russian make) to NATO Secretary General George Robertson on 20 February 2001. The latter stressed that the United States "already has made its decision to have an effective missile defence".²⁰² A number of American high level contacts with Russia tried to convince the Russian leadership of the advantages of allowing America to introduce U.S. BMD systems, even when they are in breach of the ABM Treaty and even when they are not part of any common shield system.

A partial break-through with possible consequences for the future was made after the 11 September terrorist attack on the World Trade Center in New York. President Putin was the first head of state of a foreign country to present his condolences to President Bush. The U.S. air force had been alerted and the air space over USA had been closed for some hours, which had caused a full Russian nuclear alert. It had to be broken by President Putin himself after having been informed of the reason for the alerts. He immediately took a position of full support for the U.S. contingency measures and only one month later, he arrived on a pre-planned visit to USA. The two presidents agreed

"On strategic defenses and the ABM Treaty .to continue consultations within the broad framework of the new strategic relationship."²⁰³

The basic agreement included an intention by USA to slash the number of warheads in the ICBM arsenal from currently 7,000 to about 2000 and in the Russian arsenal from 6,000 to about 1,500. The details were to be negotiated and there was no agreement as yet whether this should mean just de-alerting the missiles or actually destroying the warheads. President Bush stated that there was still a disagreement about the value of keeping the ABM Treaty in force. Bush did feel that it was "outdated", Putin that "we will continue our discussions".²⁰⁴

When, on 13 December 2001, Bush announced that USA would withdraw from the ABM-Treaty, Putin called it "a mistake" and insisted that a new arms-control regime must quickly replace the discarded treaty. He said, however, that the withdrawal would not threaten Russia.²⁰⁵

²⁰¹ *International Herald Tribune*, 19 February 2001.

²⁰² *International Herald Tribune*, 20 February 2001.

²⁰³ *Joint statement by President Vladimir V. Putin of Russia and President George W. Bush of the USA on a New Relationship Between Russia and the USA*, Ministry of Foreign Affairs of the Russian Federation, <http://www.in.mid.ru.website>, accessed 16 November, 2001.

²⁰⁴ *Japan Times*, 15 November 2001, *Outlook*, <http://www.oulookindia.co/fullprint.asp>, accessed 16 November 2001.

²⁰⁵ *International Herald Tribune*, 14 December 2001.

From Beijing, the signals on BMD have been overwhelmingly negative. *China Daily* has carried leading articles about the United States deploying 64 more cruise missiles in Guam, thereby reinforcing its military presence in Asia.²⁰⁶ In March 2001, China announced that it would increase the budget for defence by 17,7 per cent this year, its biggest expansion in real terms in the last 20 years. In that connection Foreign Minister Tang Jiaxuan said that if the U.S. side insists on selling advanced weapons systems to Taiwan, including particularly the Aegis missile destroyers and the Patriot anti missile defence systems that would send a very wrong signal. “USA should come to recognition of the serious dangers involved”.²⁰⁷

How the leaders in Beijing are perceiving the BMD as a threat was illustrated by China’s disarmament Ambassador in Geneva Sha Zukang. He made a statement at a press conference in Beijing in March 2001 explaining all the important reasons for China not to accept any American NMD. The last point in the list of arguments was that

“The U.S. also intends to deploy TMD in the region. Research and deployment of TMD itself may not constitute a violation of the ABM treaty. But the crucial question is how large is the scale and what are the nature and the function of the TMD that the U.S. is preparing to deploy in Asia. If this TMD can be used as part of NMD and constitute the front deployment of NMD in the region, then the negative impact on regional security and stability will be no less than the NMD itself.”²⁰⁸

The foreign ministers of China and Russia signed a protocol regarding a draft treaty on friendship and co-operation between the two countries on 28 April.²⁰⁹ President Jiang Zemin visited Moscow in July 2001. They stated their appreciation of the ABM Treaty as a guarantor for stability and peace.

In September 2001 the American Administration let loose a trial balloon, saying through a “senior administration official” that the United States would not oppose China’s plans to build up its fleet of nuclear missiles, expecting in return that China would not object to the U.S. missile defence programme. This balloon did not travel far. The President’s own security adviser Condolezza Rice emphasised that the U.S. was not seeking a deal with China. Senator Biden criticised the statement as “absurd”.²¹⁰

There was no mentioning of discussions about the ABM treaty, when President Bush met President Jiang Zemin in Shanghai in October 2001. The occasion was obviously and somewhat unexpectedly not used for any effort to overcome the disagreement on this issue. China’s objections remain adamant.

The reaction from Beijing, when President Bush announced the U.S. withdrawal from the ABM-Treaty, was muted. The leaders had taken note of the reports and expressed their concern, but there were no threats of withdrawing from the arms limitation talks, as had sometimes previously been the case in Chinese media.²¹¹

²⁰⁶ *China Daily*, 28 December 2000 p.4.

²⁰⁷ *International Herald Tribune*, 25 March 2001.

²⁰⁸ *Opening remarks at the NMD Briefing by Ambassaodr Sha Zukang*, Beijing, March 14, 2001.

²⁰⁹ *Wall Street Journal*, 29 April 2001.

²¹⁰ *International Herald Tribune*, 3 September 2001.

²¹¹ *International Herald Tribune*, 14 December 2001.

The U.S. co operation with **Japan** suffered a temporary setback in June, when a row broke out between the Japanese foreign minister and officials of the foreign ministry. It was revealed that the foreign minister had expressed opinions about the American NMD that was strongly critical in talks with foreign ministers of other countries. It was revealed shortly before a visit to USA. Prime Minister Koizumi had to step in and have a meeting with her and the Defense Director General Nakatani to reaffirm Japan's official position that it "understands" U.S. missile defence plans.²¹²

In **Korea**, South Korea's President, Kim Dae Jung, seemed to have backed Russian opposition to the American NMD during a visit by Russia's President Vladimir Putin in February 2001. A joint statement said that they "agreed that the 1972 ABM Treaty is a cornerstone of strategic stability and an important foundation for international efforts on nuclear and non proliferation". Two days later South Korea's Foreign Ministry backtracked; saying that endorsement of the ABM Treaty did not mean it was opposed to the U.S. missile defence plan.²¹³

Four days later, North Korea declared it might resume its nuclear development program and resume its missile launches.²¹⁴ The South Korean Government had to resign in September 2001 because of a parliamentary vote for the dismissal of the Unification minister Lim Dong Won. Afterwards the so called sunshine policy toward North Korea has been tuned down considerably, especially since the initiator of that policy, President Kim Dae Jung, failed to be re-elected as president of his own party.

On 27 March 2001, the U.S. Council on Foreign Relations' Task Force on Managing Change on the Korean Peninsula published its recommendations to the President. They included that the United States should resume talks on missiles, when ready, but must make the bottom line clear:

- 1) Effective verification,
- 2) Elimination of long range missiles already deployed,
- 3) No sensitive technology transfer in aid programmes and
- 4) Reduction of tensions and conventional military threat.

Pursuit of such negotiations should be separated from the United States own decision to develop and deploy missile defences.²¹⁵

India had been planning for some time to develop a ballistic missile defence system based on imported Russian missiles, an Israeli radar system and domestic command and control systems.²¹⁶ During a visit in Moscow in June 2001 by India's then defence and foreign minister Jashwant Singh a deal was announced, according to which India would buy a new version of the S-300V missile called 9M82M. It has a claimed capability against cruise missiles, aircraft and medium-range ballistic missiles.

In May 2001 India's Foreign Ministry declared understanding and even support for the contents of the speech by President Bush on 1 May about American BMD-policy. Indian

²¹² *Nikkei Weekly*, 4 June 2001, *Japan Times*, 16 June, 2001.

²¹³ *SCMP*, 28 February 2001 and *International Herald Tribune*, 3-4 March 2001.

²¹⁴ *Japan Times*, 5 March 2001.

²¹⁵ Northeast Asia Peace and Security Network (2001) NAPSNet@nautilus.org

²¹⁶ *Asian Defence Journal*, No 11, 2000.

officials have tried to stress that no overt endorsement was made of the American NMD plan, but the declaration contains positive formulations.²¹⁷

It can be added that after 11 September, India's relation with USA has warmed up considerably and visits of high military officials have been exchanged. Prime Minister Vajpayee even had to declare that no military alliance was being made.²¹⁸

In August 2001 the U.S. secretaries of state and defence visited **Australia**. U.S. and Australian officials talked about closer military co-operation among themselves, Japan and South Korea as a counterweight to China's growing power. The Australian Government wholeheartedly supports the American BMD plans and Australia is hosting an U.S. over the horizon radar station, which is a vital part of the American NMD system. Both U.S. and Australian officials denied that they were planning any new alliance or combination of existent U.S. alliances with Australia, Japan and South Korea, but Foreign Secretary Powell added

“We just began talking about that today. There might be a need for us to seek opportunities to come together and talk more often. So, yes, we've talked about that, but not in the form of some kind of new organisation”.²¹⁹

Boost-phase interception

The integration of BMD in actual defence system planning has been fast since the Rumsfeld led commission report on 11 January 2001 was made public. Fact sheets available at the home page of the Department of Defense give a picture of a future Family of Systems concept with six different systems in function together in an integrated defence of both the “friends and allies” and the American homeland against missile threats.

Of special interest to the Asian region are the Boost Phase Segment (BPI) and the Navy Theater Wide Ballistic Missile Defense (NTW). The BPI is supposed to develop a sea-based kinetic energy project aiming at a product line development decision in 2003-2005. It is being developed together with a similar system for sea-based mid-course roles.²²⁰

The NTW is supposed to

“Provide intercept capability against medium and long-range Theater Ballistic Missiles (TBM) near the TBM site to effect ascent phase intercepts, along the TBM trajectory as it passes over water or along the coast to effect midcourse intercepts and near the defended area to provide descent phase intercepts to achieve an additional layer of defence for lower tier systems. It is going to be introduced aboard the 50 Aegis equipped cruisers and destroyers of the U.S. Navy beginning in 2003”.

Japan is being involved in the NTW research and development program. Mitsubishi Heavy Industries has formed a joint research group with Raytheon Co. and Mc Douglas Corp. and

²¹⁷ *Hindustan Times*, 6 May 2001.

²¹⁸ *Asian Age Online*, <http://www.hclinfinet.com>, accessed 13 November 2001.

²¹⁹ <http://www.washtimes.com>, accessed 3 August, 2001.

²²⁰ Fact sheets about Navy Area Ballistic Missile Defense Program, Navy Theater Wide Ballistic Defense and The Family of Systems Concept, <http://www.acq.osd.mil/bmdolink/html/boost>, accessed 6 December, 2001.

was granted a contract by the U.S. Government to develop a missile-defence system to cover not only Japan but also the entire Western Pacific region. It was later directed toward a boost-phase interceptor project, but there has emerged some differences between U.S. and Japanese authorities. The commonly financed project is a different one (the NTW is said to be intended to **effect ascent phase intercepts**, which is not the equivalent to Boost-phase), but American efforts to merge the projects have not been welcome in Japan.

A boost-phase interception system in Japan would mean that Japan would contribute to the defence of the American homeland. When it has to be targeted, a missile in ascent over China could be directed at any place – and possibly at the American continent or at U.S. Navy ships. Japan's constitution was strongly influenced by the U.S. occupation forces, when it was prepared and according to the generally accepted interpretation in Japan, it does not allow participation in common defence, more specifically defence of the American continent or U.S. Navy ships.²²¹ Whether Japan will contribute to an American BPI-system can become a delicate issue with a potential to cause controversy in the Japanese Diet. A redefinition is going on between Japan and USA about how to pursue the co-operative research and development of sea-based missile defence projects in the wake of the Pentagon's overhaul of U.S. anti-missile programs. Japan has informed the U.S. side of its intention to continue funding research and development but made no commitment to field a missile defence system.²²²

The other way around, a Japanese stand-alone BMD shield with BPI capability, using intelligence gathered by Japanese satellites and also in other respects of command and control using Japanese stand-alone systems would raise concern among Japan's neighbours, especially China. A Japanese national satellite system is already under way. There seems to be less and less room for Japan's Government to further avoid a decision that will decide the course between building a common defence with USA and other Western Pacific nations or a Japanese stand-alone BMD shield. Not doing anything is no longer an alternative.

The interest of the Japanese Government is demonstrated by the efforts to keep the program alive. Japan has concentrated on such areas of importance as the interceptor's nosecone, its kinetic warhead, the seeker and the rocket motor for the missile's second stage. Japan is reported to have been lobbying hard to keep the effort alive, when there were plans within the American BMDO (Ballistic Missile Defense Organisation)²²³ to abandon further funding of the common research project.²²⁴ After a meeting in Washington on 10 December 2001 between Defense Secretary Donald Rumsfeld and Japan's Defense Agency "Director General", General Nakatani, an agreement was reached to redefine how the two nations will pursue co-operative research and development on sea-based missile defense projects in the wake of the U.S. overhaul of its antimissile programs. This is the result of the NTW program having been absorbed into a Sea-Based Midcourse program, which will have the additional capability to kill long-range ICBMs, according to an American official interviewed by *Defense News*. This, of course, makes it even more difficult for the Japanese government to handle the project in domestic politics.²²⁵

²²¹ *Nikkei Shimbun*, 25 June, 2001, *Japan Times* 24 June, 2001 and notes by the author.

²²² *Defense News*, 17-23 December 2001.

²²³ BMDO has been elevated to the status of Agency under the name of the Ballistic Missile Defense Agency (MDA). <http://www.acq.osd.mil/bmdolink/html>, accessed 17 January 2002.

²²⁴ Inside Misasile Defense, <http://www.INSideDefense.com>, accessed 26 December 2001.

²²⁵ *Defense News*, 17-23 December 2001.

Space Warfare

According to a fact sheet from the U.S. Ballistic Missile Defense Office, there are three BPI concepts being considered for future acquisition other than possibly providing the NTW with some BPI capability: the Air Force's Airborne Laser (ABL) programme; Space Based Laser (SBL); and Unmanned Aerial Vehicle (UAV).²²⁶ The UAV is already existent in a co-operation project with Israel and tests are beginning with ABL. Decision about ABL/UAV production can be expected "by the 2003-2006 timeframe".

The Space Based Laser is a more long-term project, aiming at an on-orbit demonstration for the 2010-2012 timeframe. It is estimated that "a constellation consisting of only 12 satellites can negate 95 per cent of all missile threats in most theatre threat scenarios". Thus a system consisting of 20 satellites could provide nearly full threat negation. A 24 satellite constellation, operating at 60 degrees inclination could provide NMD threat negation in addition to full TMD threat negation."²²⁷

These plans were already part of President Reagan's Strategic Defense Initiative (SDI). Research was actually carried out and the first test laser intercepts above the earth were completed in 1984. After the end of the Cold War the project has for a time been regarded as excessively futuristic and work was slowed down and refocused on defence against shorter-range missiles. The project now seems to have been quietly accelerated again. The Quadrennial Defense Review only contains a few lines about ensuring the freedom of action in space and denying such freedom of action to adversaries. Increased emphasis is placed "on developing the capabilities to conduct space operations".²²⁸ At a press conference in Huntsville, Alabama, an official of the U.S. Army's Space and Missile Defense Command gave detailed information about how the SBL would work in combination with other elements of the Family of Systems to make a complete defence against all types of missiles.²²⁹

This policy is bound to have an impact on Chinese attitudes to the BMD issue. As Michael O'Hanlon points out in a Brookings Policy Brief, Russia and China could feel strategically threatened and respond in ways that might exacerbate weapons proliferation problems. China at present deploys about 20 long-range missile warheads on board ICBMs with a capability to reach the American Continent.²³⁰

The costliest planned (but not yet decided) NMD system would consist of 250 BMD missiles, capable of defeating 50 single-warhead ICBMs or 20 ICBMs with advanced countermeasures by the year 2015. That capability could easily be saturated with new ICBMs with solid fuel propellant by Chinese expected production rate, already before 2010.²³¹ Some experts even

²²⁶ Fact Sheet about Unmanned Vehicle Boost Phase Intercept Program, <http://www.acq.osd.mil/bmdolink/html/boost>, accessed 6 December 2001.

²²⁷ Fact Sheet about Space Based Laser, <http://www.acq.osd.mil/bmdolink/html/boost>, accessed 6 December, 2001.

²²⁸ Quadrennial Defense Review Report, p. 45, <http://www.defenselink.mil/news>, accessed 6 December 2001.

²²⁹ International Herald Tribune, 23 July 2001.

²³⁰ O'Hanlon Michael E. (2001), *Beyond Missile Defense*, Policy Brief, the Brookings Institution, <http://brook.edu> accessed 11 December 2001.

²³¹ That number is expected to reach totally 200 by the year 2015, see Green, Michael J. and Dalton, Toby F.(2000) *Asian Reactions to U.S. Missile*, The National Bureau of Asian Research, Washington November 2000 (nbr@nbr.org)

believe that China will start an MIRV (Multiple Interdependently Targetable Re-entry vehicle) program and have as much as 1,000 warheads on board 100 ICBMs by 2010.²³² Therefore the U.S. plans have not been presented as an effort to overwhelm and/or eliminate the potential threat from China, thus giving room for some sort of a “balance” to continue to exist.

There have been diplomatic efforts to convince the leaders of China that they need not fear the limited U.S. BMD programme, especially if that programme would be based on the BPI-type of defence, since it would not be able to reach the inner parts of China, allowing it to keep a second-strike capability and thus a “balance”.

The Chinese leaders have not been impressed by these arguments, and now they see a family of systems appearing (at least in U.S. planning) that is intended to defeat all incoming missiles threatening the American continent, including a space-based system. This could lead to a continuation of intentions that have already previously been hinted at as harboured by the Chinese leadership, namely to counter the BMD initiative by a combination of building a greater number of intercontinental missiles for saturation purpose, developing systems of decoys and developing a capability to defeat American satellites with earth-based laser weapons.

²³²Möller, Kay (2001), *China und National Missile Defense: Mythen und Fakten*, Stiftung Wissenschaft und Politik (SWP) aktuell No 60/August 2001.

CHAPTER SIX: Conclusions about BMD in East Asia

China embarked upon a strengthening of its nuclear arsenal several years ago, seemingly with the aim to become another superpower and a real challenger to “American hegemonism” in Asia. Taiwan and USA are becoming increasingly troubled by the build up of conventionally armed SRBMs on China’s side of the Strait. The United States is not showing any sign of withdrawing its military forces from the Western Pacific. It rather tries to protect its military presence by the introduction of BMD.

There are so far few signs that **Russia** and China have entered into a real strategic partnership in the face of American BMD. USA does not seem to take the threat of that possibility very seriously. Russia is in a different position when compared with China, since it has a large arsenal of ICBMs, a functioning system of SLBMs (and thus a second strike capability) and a certain BMD capability of its own.

Japan is providing itself with increasingly important technical capabilities in fields related to BMD. The U.S.-Japanese relationship is developing into a more regionally based entity by the introduction of the BMD issue, including South Korea and Taiwan. The South Korean-Japanese relationship is improving fast and becomes of strategic importance, when the BMD issue is introduced.

A theoretically possible reunification of the two **Koreas** would possibly hamper the ambition of USA to create a common BMD defence for the region coordinated with the NMD. South Korea is finding itself drawn into a regional role by the American BMD that does not favour reunification.

Australia is already an important partner to the U.S. BMD system because of the American radar facilities based in the country. It is being drawn into a coordinated defense planning for the Western Pacific.

India’s test firing of the Agni II and its acquisition of a national BMD system may be an indication that a new mutual arms build-up is already going on between China and India. India is trying to get closer to America and is one of the few countries that have taken the step to explicitly endorse the American BMD intentions.

The introduction of BMD in Asia has given new significance to the roles of individual countries in the regional defence pattern. Middle sized countries like Japan and even smaller countries like Taiwan, acquire BMD systems and find themselves becoming more important to the great powers. South Korea, which has not had a defence alliance with any country apart from America, and which is not purchasing any BMD system of its own, finds itself being drawn into a more obviously regional defence pattern by the introduction of BMD. Taiwan, so far without any formal defence alliance, is being drawn into this regional pattern; much by its own will, thereby creating new potential liabilities for the other partners.

USA with many alliance partners is increasing its military strength, while the more lonely military great powers China and Russia find themselves more exposed. A further deterioration of U.S. Chinese relations may begin to develop into a pattern similar to a new Cold War. Being the tool of the richest, American NMD is seen in China as a symbol of this emerging confrontation.

There may be a dawning American insight about the symbolic effect of NMD and the real impact it has on events in Asia. It may have been the reason for a shift in policy, which seems to have appeared lately. It is a shift of focus, away from mentioning the very word “national missile defence” and toward building a system of sub systems in the Western Pacific with other names, both geographically and in a technical sense. Japanese, Korean, Australian and possibly even Taiwanese BMD facilities are being integrated with U.S. forward positioned systems like lower tier, upper tier and possibly even BPI assets into a BMD “architecture” for the defence of the Western Pacific.

This BMD architecture can serve as a forward defence of the U.S. homeland as well as homeland defence of China’s neighbours. This is naturally giving the leaders in Beijing an impression of containment, since Taiwan is regarded as part of China and Taiwan is involved in the U.S. led BMD architecture and will benefit from its protection.

If no major effort is made by USA and China to overcome their problems of mutual distrust, we seem to witness the beginning of a mutual arms build-up around the Western Pacific. It is likely to further increase the tensions between the two major actors in the area and may involve others.

The alternative would seem to create a risk for tensions of another nature, namely if USA would abandon its role as protector of Japan, Taiwan and South Korea and these countries take care of their own defences. That would have a destabilising influence beyond the Western Pacific, in the South China Sea and the Southern Pacific.

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Annex

Some basic facts about the ABM treaty and the TMD-agreements

The ABM treaty originally allowed both countries to build and maintain two ABM systems each. One was built around Moscow with 100 anti ballistic missiles of the Galosh type. Today 32-36 long range Gorgon and 64-68 short-range Gazelle interceptors are deployed. This ABM system is still in operation around Moscow, but it is a matter of speculation whether the Russian Government would actually make use of it, since the interceptor missiles carry nuclear weapons (to destroy the incoming missiles) and would cause damages to the civilian population. It is also so outdated, that it would probably not be effective enough against modern missiles. The American side built one system at an ICBM base in Grand Forks, which was proclaimed operational in 1976. However, it was “moth balled” after only 3 months in operation. In 1974, the treaty was modified to allow only one protected area in each country. A few of the limitations are worth mentioning, because they are a matter of negotiation today, in connection with the American BMD projects.

- Both parties are prohibited to deploy ABM systems covering the whole territory of the nation,
- ABM systems are defined as defending against strategic ballistic missiles in flight trajectory (there is no prohibition against systems defending against non strategic, short range missiles, like the regional, strategic Patriot system,
- Originally two, (later only one) ABM system, which is a regional, strategic anti ballistic missile system, was still permitted for each party, namely around the national capital (of the Soviet Union) and one missile firing range for IBM's (for USA),
- The deployment area of each system should not be more than 150 kilometres in radius,
- Each system was allowed to contain a maximum of 100 launchers and 100 missiles,
- The parties accepted not to develop, test or deploy ABM systems, which are sea borne, air borne, space based or mobile ground based,
- Each one of the parties has the right to cancel the treaty under certain conditions.

The technological development in the direction of low layer BMD made it necessary to create a set of new definitions, which were added as the so-called TMD demarcation agreements. It is a collection of binding and non-binding agreements related to the ABM Treaty. They were signed in New York in 1997. Parties to the agreement were USA, Russia, Belarus, Ukraine and Kazakhstan. The constituting parts of the complex were the following agreements:

- A memorandum of understanding specifying that Russia, Ukraine, Belarus and Kazakhstan shall succeed the Soviet Union as partners to the ABM treaty.
- The agreement about Theatre Defence with interceptor missiles with a speed not exceeding 3 kilometres/second is also called the low speed agreement.
- The second agreement about Theatre Defence Interceptor missiles with a speed higher than 3 kilometres/second, the so-called high-speed agreement.
- An agreement on confidence-building measures.

The agreements are based on the principle in the ABM Treaty, article no VI, prohibiting the parties from giving missiles, launchers or radar a capability against strategic ballistic missiles as well as to test such systems as ABM systems.

ARTICLE No 3

China, Taiwan, USA and the South China Sea
By
Ingolf Kiesow

Abbreviations

ADB	Asian Development Bank
ANZUS	Australia-New Zealand-United States Security Pact
ARATS	Association for Relations Across the Taiwan Straits (Beijing)
ARF	ASEAN Regional Forum
ASEAN	Association of South East Asian Nations
CCP	Chinese Communist Party
CINCPAC	Commander in Chief U.S. Pacific Command
DPP	Democratic Progressive Party (Taiwan)
EEZ	Exclusive Economic Zone
GATT	General Agreement on Tariffs and Trade
GDP	Gross Domestic Product
KMT	Kuomintang (National People's Party)
PLA	People's Liberation Army
PLAN	People's Liberation Army Navy
PNTR	Permanent Normal Trade Relations (U.S. legislation for China)
PRC	People's Republic of China
ROC	Republic of China
ROK	Republic of Korea
SEF	Straits Exchange Foundation (Taipei)
UNCLOS	United Nations Convention on the Law of the Sea
USFK	United States Forces Korea
WTO	World Trade Organisation

CHAPTER ONE: How can Taiwan be Both Separate and Part of China? Seeking the Answer in History

Historical Background

The Taiwan issue, or the issue of the Taiwan Strait, cannot be understood easily. There are apparent contradictions in the way of seeing the problem on both sides of the strait, but most obvious is how differently the same fact can be interpreted by the Mainland and Taiwan respectively. The following is an effort to present the events in history that have shaped the attitudes.

Map of the Strait



Taiwan and the islands, which today are governed from Taipei, were inhabited as early as 12,000 to 15,000 years ago. Archaeological evidence suggests that the first immigrants came from southern China, later also from northern China. Sometime during the prehistoric period, peoples speaking Malayo-Polynesian languages became dominant, culturally akin to the Indonesians. They have come from Malaya or from southern China; both theories exist, but no certain evidence. There are differences between northern and western Taiwan and the southern and eastern parts of it. Nine different tribes, speaking languages that are not mutually understood, have survived until today and preserved their traditions and culture. All in all they comprise only two per cent of the population or around 400,000 inhabitants.²³³

²³³ Hung, Cheng-chao (2000) *A History of Taiwan*, Rimini, Il Cerchio Iniziative Editoriali, p.6.

Military expeditions were sent from the Chinese state of Wu in the third century A.D. and the Sui dynasty in the seventh century.²³⁴ Migration from the Chinese mainland seems to have begun on a small scale toward the end of the 11th century. A garrison was put up by the Song Dynasty in the 12th century on the outlying island²³⁵ of today's Taiwan by the name of Penghu and remained there for some time.²³⁶ Some Chinese military expeditions also took place and other occasional garrisons were erected on the outlying islands.²³⁷ Japanese pirates, so-called wakos, came to the outlying islands toward the end of the 13th century and continued activity there during the following two centuries. Under the shoguns Hideyoshi and Ieyasu, Japan even tried to establish control over the main island by sending expeditions in 1597, 1609 and 1616.²³⁸ During these centuries China as well sent occasional punitive expeditions to the main island.²³⁹

The first regular military control over parts of Taiwan came in 1622, when a Dutch fleet of 6 ships landed a garrison and built two fortifications on the southern tip of the island, which still exist. From here the Dutch started an occupation of Taiwan in 1624²⁴⁰, which soon covered substantial parts of the island and put it under a colonial administration.²⁴¹ The territory was first of all used as a base for trading with Japan and China, but also for agricultural production, and a new irrigation system was introduced.²⁴²

Due to a famine in Fukien province in 1629, and because the Dutch needed farmers for their agricultural projects, a great number of immigrants started to come to Taiwan from China. At the end of Dutch rule, the Chinese element of the population had already reached around 100,000 persons. They were basically of two different Chinese cultures, speaking mutually unintelligible languages, the Hakka people and the Hoklo people. Not only their languages were different; they also had different cultures and customs. These were causes of much friction between the two major immigrant groups, which often flared up in armed clashes during the next two centuries.²⁴³ The Hoklo came in greater numbers, and around the beginning of the nineteenth century the Hoklo were about 82 per cent of the Chinese population, 13 per cent were Hakka, and five per cent Cantonese.²⁴⁴

For a short period between 1624 and 1641, Spain also maintained occasional small garrisons in different places on the coast in northern Taiwan, but was ousted by the Dutch.²⁴⁵

²³⁴ *The Taiwan Question and Reunification of China* (1993) Beijing, Taiwan Affairs Office & Information Office State Council, p. 1.

²³⁵ The term "outlying islands" is actually a misnomer, since the islands are closer to the mainland than to Taiwan. However, this terminology has become so widespread, especially in international contexts, that it will be used here in order to avoid misunderstandings.

²³⁶ *The Taiwan Question and Reunification of China* (1993) Beijing, Taiwan Affairs Office & Information Office State Council, p. 2.

²³⁷ Yue, Dong (2000) *Taiwan's bond with mainland woven inextricably over time*, Article in *China Daily* 25 December 2001.

²³⁸ *Kodansha Encyclopedia of Japan* (1983) Tokyo, Kodansha International Ltd.

²³⁹ Hung, Chen-chao (2000) *A History of Taiwan*, Rimini, Il Cerchio Iniziative Editoriali, p.14.

²⁴⁰ Yue, Dong (2000) "Taiwan's bond with mainland woven inextricably over time", *China Daily* 25 December 2001.

²⁴¹ Ävik, Asbjörn (1955) *Formosa-ön som är Asiens öde*, Falköping, A.J. Lindgrens Boktryckeri, p. 10.

²⁴² Mote, F.W (1999) *Imperial China 900-1800*, Cambridge, Massachusetts, Harvard University Press, p.848

Hung, Chen-chao (2000) *A History of Taiwan*, Rimini, Il Cerchio Iniziative Editoriali, p.14.

²⁴³ Ahern, Emily Martin and Gates, Hill (1997) *The Anthropology of the Taiwanese Society*, Stanford, Stanford University Press, p.282.

²⁴⁴ Hung, Chen-chao (2000) *A History of Taiwan*, Rimini, Il Cerchio Iniziative Editoriali, p. 18.

²⁴⁵ Yue, Dong (2000) "Taiwan's bond with mainland woven inextricably over time", *China Daily* 25 December 2001.

Christianity spread during these years, and remained long after the Dutch were evicted from Taiwan by the last Ming-dynasty forces in 1668, after 38 years of ruling the island.²⁴⁶

A former pirate or “marine warlord” and merchant of half-Japanese and half-Chinese origin by name of Cheng Cheng-kung established the first Chinese rule on Taiwan. He is known in European literature under his Portuguese name Koxinga. He had command over river fleets in the Fukien province and gained control over much of the Fukien coast during the last Ming emperor, who gave him an imperial official title and asked for his help, when China began to be invaded by the Manchus in 1636. After the first Manchu emperor had founded the Ching dynasty in that year, the invaders gradually took the remaining parts of China. Resistance took the longest time in the south and on the coast of Fukien. The Ching forces defeated Cheng Cheng-kung’s land forces and chased him out of the continent. He took his fleet to Taiwan, attacked the Dutch and forced them out of the main island, which now became the last base of Ming resistance against the foreign rulers.²⁴⁷

This resistance lasted from 1662 to 1683, and was carried out by Cheng Cheng-kung’s descendants in two generations. At first it was an offensive effort to throw out the Manchus from China, and only at the end was it an effort to defend Taiwan against the Ching attackers. During this time, the administrative system of the Ming dynasty was introduced in Taiwan, the so-called mufu.

Immigrants from the mainland now came in great numbers, because of the scorched earth policy, which was applied by the Ching emperors along the entire coastal area, aiming at isolating the Ming resistance on Taiwan from the continent. Famine and general poverty drove many to Taiwan. Furthermore, many Ming loyalists and intellectuals and feudal families fled from all parts of China to Taiwan.²⁴⁸

After defeating the last resistance on Taiwan the Ching emperor made it a district of Fukien province. Several uprisings continued to plague the island, and law and order problems continued for several decades. Immigrants from China were sent back and until 1875 immigration from China was basically forbidden. After an effort by Japan to invade southern Taiwan, the island was for the first time made a province of China in 1885²⁴⁹ and some modernisation efforts were made. Railways were laid, mines opened, and telegraph service installed.²⁵⁰ However, education was limited during the entire Ching period of 112 years. New schools were built during the last few years of Ching rule, but even then there was no opportunity for Taiwanese to become officials on their own island. China itself was not very modernised and Taiwan even less so.²⁵¹

The first population records from 1683 showed only taxable males above 16 years (a small part of the population), out of whom 33,630 were Chinese and 3,592 were so-called

²⁴⁶ Hung, Chen-chao (2000) *A History of Taiwan*, Rimini, Il Cerchio Iniziative Editoriali, p. 36, *Kodansha Encyclopedia of Japan* (1983) Tokyo, Kodansha International Ltd., p. 306.

²⁴⁷ Fairbank, John K., Reischauer, Edwin O. and Craig, Albert M. (1975) *East Asia-Tradition and Transformation*, London, George Allen & Unwin Ltd, p.216.

²⁴⁸ Hung, Cheng-chao (2000) *A History of Taiwan*, Rimini, Il Cerchio Iniziative Editoriali, p.55.

²⁴⁹ Yue, Dong (2000) Taiwan's bond with mainland woven inextricably over time, *China Daily*, 25 December 2001.

²⁵⁰ *The Taiwan Question and Reunification of China* (1993) Beijing, Taiwan Affairs Office & Information Office State Council, p. 2.

²⁵¹ Hung, Cheng-chao (2000) *A History of Taiwan*, Rimini, Il Cerchio Iniziative Editoriali, p.55.

aborigines. A real census was made in 1813 and showed a total population of 1,944,737 inhabitants.²⁵²

To the surprise of the Taiwanese, the island was ceded to Japan in the peace treaty of Shimonoseki in 1895.²⁵³ This happened after a war that started in Korea and never touched Taiwan, but China had been badly defeated and had no choice but to accept the Japanese peace conditions.²⁵⁴

The cession of Taiwan was met with strong resistance by the island's populace, which now numbered almost three million. A number of petitions were made to the court in Beijing, even requesting a plebiscite to decide the fate of the island. When this was of no avail, a declaration of independence was made, and the governor was made the first president of Republic of Taiwan. The republic lasted only twelve days – the Chinese forces on the island could not defend it against the Japanese forces that landed immediately after the declaration of independence.²⁵⁵ It was the first republic in Asia, and it took the Japanese several months to occupy the whole island.²⁵⁶ Rebellions continued in isolated pockets until 1900.

The Japanese occupation of Taiwan took a different course, when compared with that in other parts of Asia. The primary objectives of the rulers were to augment the resources and contribute to the Japanese Empire by developing the island for profit and as a base for expansion southward. In doing so, they gave the Taiwanese a standard of living, conspicuously higher than that of their brethren on the mainland of China. Agriculture developed rapidly and made Taiwan a resource of supply of rice and sugar for Japan. Industrialisation was initiated. Foreign trade grew rapidly. Modern school education was introduced. Endemic diseases were put under control.²⁵⁷ The population grew from 3.04 million in 1905 to 5.87 million in 1940.²⁵⁸

These were probably the reasons why the Japanese – in spite of heavy-handed efforts to “Japanese” the population of Taiwan – were not met with the same hatred in Taiwan as in other parts of China and other parts of Asia. Especially the so-called aborigines kept some kind of armed opposition going on for decades,²⁵⁹ but on the whole, law and order was better than it had been under the Ching dynasty, albeit under the influence of an often-brutal Japanese police organisation.²⁶⁰ Toward the last part of the occupation era, only limited or hardly any armed resistance took place, even during the last months, when Japan was

²⁵²Hung, Cheng-chao (2000) *A History of Taiwan*, Rimini, Il Cerchio Iniziative Editoriali, p.132.

²⁵³Yue, Dong (2000) Taiwan's bond with mainland woven inextricably over time, *China Daily*, 25 December 2001.

²⁵⁴Fairbank, John K., Reischauer, Edwin O. and Craig, Albert M. (1975) *East Asia-Tradition and Transformation*, London, George Allen & Unwin Ltd, p. 553-554.

²⁵⁵Hung, Chen-chao (2000) *A History of Taiwan*, Rimini, Il Cerchio Iniziative Editoriali, p. 174-187.

²⁵⁶Yue, Dong (2000) Taiwan's bond with mainland woven inextractably over time, *China Daily*, 25 December 2001.

²⁵⁷Hung, Chen-chao (2000) *A History of Taiwan*, Rimini, Il Cerchio Iniziative Editoriali, p.190-245.

Fairbank, John K., Reischauer, Edwin O. And Craig, Albert M. (1975) *East Asia-Tradition and Transformation*, London, George Allen & Unwin Ltd, p. 875-878.

Kodansha Encyclopedia of Japan (1983) Tokyo, Kodansha International Ltd., p. 307-309.

²⁵⁸Hung, Chen-chao (2000) *A History of Taiwan*, Rimini, Il Cerchio Iniziative Editoriali, p. 198.

²⁵⁹Yue, Dong (2000) Taiwan's bond with mainland woven inextractably over time, *China Daily*, 25 December 2001.

²⁶⁰ ²⁶⁰Hung, Chen-chao (2000) *A History of Taiwan*, Rimini, Il Cerchio Iniziative Editoriali, p. 208-218.

obviously loosing the Second World War, a fact testified by foreigners from third countries living there.²⁶¹

When Japan surrendered in August 1945, the Nationalist Party of China or Kuomintang (Guomindang), was in power on the mainland, but for many years there had already been fighting on and off with the Communist Party of China, the CCP. Kuomintang was headed by general Chiang Kai-shek, who was the president of the Republic of China. The peace conditions, as laid out by the allies in the Cairo Declaration and reiterated in the Potsdam Declaration 26 July 1945, stipulated that “all the territories Japan had stolen from the Chinese, such as Manchuria, Formosa, and the Pescadores, shall be restored to the Republic of China.”²⁶² This was carried out in October 1945, and the Japanese made no resistance. The population celebrated the arrival of the first Chinese governor of the “province of Taiwan” as a great triumph.²⁶³

Further developments, however, did not give reason for much celebration. The new administration was basically structured like a military administration by an occupation army. It simply took over the assets of the Japanese occupation army and made no efforts to privatise them. Certain agencies were soon heavily corrupted and most agencies were corrupt to some extent. Shortages soon developed in the supply of rice and other necessities, inflation was rampant and so was unemployment. In 1947, conditions had become so bad that violent uprisings began. They were put down by reinforcements from the mainland, but not without great bloodshed – around 30.000 were killed²⁶⁴ - and not until it had become obvious that there was general and widespread discontent, even bitter resentment among the Taiwanese with the new regime.²⁶⁵

The governor was executed later on, not for his role in the uprising, but for having planned to surrender to the communists. A new governor was appointed by Chiang Kai-shek, who stepped down as president of the Republic in January 1949 during the onslaught of the advances of the communist forces all over China. He finally fled to Taiwan in December the same year.²⁶⁶

With Taipei as its seat, the Kuomintang government claimed to represent the whole of China. Chiang Kai-shek was again made president. The Republic of China was a founding member of the United Nations and a permanent member of the U.N. Security Council. A number of countries, among them Sweden, the Soviet Union and Great Britain, “derecognised” the Republic of China, when the People’s Republic of China was declared by the Communist Party. However, the majority of nations continued to maintain diplomatic relations with Taipei.²⁶⁷ The administration of Taiwan was actually handled by the so-called Taiwan Provincial Government. More than one million refugees and 600,000 soldiers²⁶⁸ came to

²⁶¹ Åvik, Asbjörn (1955) *Formosa-ön som är Asiens öde*, Falköping, A.J. Lindgrens Boktryckeri, p. 18-21

²⁶² Hung, Chen-chao (2000) *A History of Taiwan*, Rimini, Il Cerchio Iniziative Editoriali, p. 244.

²⁶³ Yue, Dong (2000) Taiwan's bond with mainland woven inextricably over time, *China Daily*, 25 December 2000.

²⁶⁴ Leijonhufvud, Göran (2000) *Taiwan - oberoende eller återförening?* Stockholm, Utrikespolitiska Institutet, p. 4.

²⁶⁵ Hung, Chen-chao (2000) *A History of Taiwan*, Rimini, Il Cerchio Iniziative Editoriali, p.248-254.

²⁶⁶ Fairbank, John K., Reischauer, Edwin O. and Craig, Albert M. (1975) *East Asia-Tradition and Transformation*, London, George Allen & Unwin Ltd, p. 894. Hung, Chen-chao (2000) *A History of Taiwan*, Rimini, Il Cerchio Iniziative Editoriali, p.256.

²⁶⁷ Hung, Chen-chao (2000) *A History of Taiwan*, Rimini, Il Cerchio Iniziative Editoriali, p.256.

²⁶⁸ Both from the Kuomintang forces and Taiwanese, who had been forced to fight for Japan.

Taiwan from the mainland during the last days of Kuomintang rule on the mainland and were added to the almost six million already living there.²⁶⁹

Beijing's Taiwan policy

According to official publications, the Government of the People's Republic of China considers its founding as

“The end of the history of the Republic of China. It was a case, when an old regime was replaced by a new one in a situation, where also the International Law was not changed and also the sovereignty and natural territory of China were not changed. Therefore, it is the People's Republic of China that administrates China's sovereignty, also its sovereignty over Taiwan”.²⁷⁰

It was therefore logical that in September 1954 the People's Liberation Army began shelling some of the so-called outlying islands of Taiwan very near the Fujian and Zhejiang coasts of China and cut off supply routes to some of the small islands close to the Chinese coast. The Taiwanese forces had to give them up, but remained on the larger ones, including Quemoy and Matsu.



Quemoy is a complex of 14 Taiwanese islands only about two miles off the coast of Amoy in China. Deteriorating relations with the Soviet Union (and the wish to avoid confrontation on two fronts) led the Chinese leaders to begin negotiations with the United States.²⁷¹ Premier Zhou Enlai officially declared that China would “as far as possible use peaceful means to liberate Taiwan”.²⁷²

²⁶⁹ Hung, Chen-chao (2000) *A History of Taiwan*, Rimini, Il Cerchio Iniziative Editoriali, p.276.

²⁷⁰ *Principen om ett enat Kina och Taiwanfrågan*, April

2000, Stockholm, the Culture and Information Department of the Embassy of the People's Republic of China.

²⁷¹ Lee, Bernice, (1999) *The Security Implications of the New Taiwan*, Adelphi Paper 302, London, International Institute of Strategic Studies p.17.

²⁷² *The Taiwan Question and Reunification of China* (1993) Beijing, Taiwan Affairs Office & Information Office State Council, p. 11.

With the changing climate in international relations toward the end of the 1960s, marked by the border-clashes between Soviet and Chinese armed forces, a rapprochement was achieved between USA and China in 1972.

In the joint communiqué from the Shanghai-meeting in that year between President Nixon and Premier Zhou Enlai, the Chinese side

“Reaffirmed its position. The Taiwan question is the crucial question obstructing the normalisation of relations between China and the United States; the Government of the People’s republic of China is the sole government of China; Taiwan is a province of China which has long been returned to the motherland; the liberation of Taiwan is China’s internal affair in which no other country has the right to interfere; and all U.S. forces and military installations must be withdrawn from Taiwan. The Chinese Government firmly opposes any activities which aim at the creation of “one China, one Taiwan”, “one China, two governments,” two Chinas,” and “independent Taiwan” or advocate that “the status of Taiwan remains to be determined”.²⁷³

There were no relations between the PRC and Taiwan at this stage. When negotiations with the United Kingdom about the handover of Hong Kong had begun, China proposed that Taiwan join the mainland under similar conditions. Marshall Ye Jiangying, Chairman of the Standing Committee of the National People’s Congress made a statement with nine principles for reunification:

Talks between the Communist Party and Kuomintang should be opened;

- Meetings with split families, development of cross-strait trade and exchange of mail, air, shipping services and academic, cultural and sports exchange should take place;
- After reunification Taiwan should enjoy a high degree of autonomy and retain its armed forces, without interference from the Central Government;
- Taiwan should keep its economic and social system;
- People in authority in Taiwan might take up posts of leadership in national politics;
- The Central Government might subsidise Taiwan in case of need;
- Freedom of entry and exit should exist;
- Taiwan’s investments in China should be protected;
- Reunification should be the responsibility of all Chinese. People on Taiwan could make proposals regarding affairs of state.²⁷⁴

These conditions were defined by a change of China’s constitution in 1982, whereby provisions were made for the creation of “Special Administrative Regions”(SARs), with separate economic and political systems and limited autonomy in external relations. This status was offered to Taiwan (and Hong Kong and Macau) with the catchword of “one country, two systems”.²⁷⁵ It was the Chinese leader Deng Xiaoping, who formulated this phrase in a speech in 1982.

A more nationalistic tendency was reported in China after the dissolution of the Soviet Union and the Tiananmen events in 1989 also had their impact on Chinese policy. During this process, the Taiwan issue seems to have become more prominent in Chinese foreign policy

²⁷³ The communiqué is available at <http://www.stratfor.com/asia/countries/china/jointuschinecomm.htm>

²⁷⁴ Web site of the Chinese UN Delegation, <http://un.fmprc.gov.cn/eng/>, accessed 26 November 2001.

²⁷⁵ Lee, Bernice, (1999) *The Security Implications of the New Taiwan*, Adelphi Paper 302, London, International Institute of Strategic Studies, p. 20-21.

making. Even though de facto Taiwanese independence had been tolerated to a certain extent, opposition was evident against everything that could lead to de jure independence. Taiwan's President Lee Teng-hui called on China in 1994 to accept that Taiwan was a separate political entity, with jurisdiction over a different part of China. In a stern response China's President Jiang Zemin issued an eight-point proposal on cross-straits relations in 1995, based on a 1993 declaration by the Chinese State Council.²⁷⁶

The principle of "one China" is a sine qua non for peaceful reunification;

- Taiwan may maintain people-to-people economic and cultural relations with other countries under the "one China" principle;
- Negotiations shall start to end the hostilities
- Efforts shall be made to realise a peaceful reunification of China;
- Both sides shall strive for better economic interchange and cooperation, with direct communications;
- The people on both sides shall bring into full play China's 5,000-year cultural tradition;
- China welcomes the leaders of political parties;
- China welcomes leaders of the Taiwan authorities to visit China in appropriate capacities.

Washington's Taiwan policy

The international status of Taiwan has been greatly influenced by the American policy. In 1949, just before the proclamation of the PRC, the U.S. State Department published a White Paper on U.S. relations with China. It sought to explain that it was not lack of American aid that caused the loss of China to Communism.

"Nothing that this country did nor could have done within the reasonable limits of its capabilities could have changed the result; nothing that was left undone by this country has contributed to it".

President Truman explained that USA did not wish to station troops on Taiwan, nor provide military aid.²⁷⁷

This attitude was completely revised, when North Korea attacked South Korea in 1950. When PRC intervened in the war, the U.S. assistant Secretary of State for Far Eastern Affairs, Dean Rusk declared:

"We recognise the National Government of the Republic of China even though the territory under its control is severely restricted. We believe it more authentically represents the view of the great body of people of China, particularly their historic demand for independence from foreign control. That Government will continue to receive important aid and assistance from the U.S. Under the circumstances, however, such aid in itself cannot be decisive for the future of China. The decision and the effort are for the Chinese people, pooling their efforts, wherever they are, in behalf of China".

²⁷⁶ *The Taiwan Question and Reunification of China* (1993) Beijing, Taiwan Affairs Office & Information Office State Council.

²⁷⁷ Hung, Chen-chao (2000) *A History of Taiwan*, Rimini, Il Cerchio Iniziative Editoriali, p.266.

USA sent military assistance in great quantities as well as 400 military advisors. Furthermore, civilian aid was given in great quantities under the China Aid Act of 1948 and the Mutual Security Act of 1951.²⁷⁸

The shelling from the continental side of the Taiwan Strait started again in 1958. In March the U.S. State Department condemned the CCP regime in China as “illegitimate”. In August the same year, an effort was made by the PRC to send naval forces to the islands, and the so-called 1958 Battle of the Taiwan Strait took place between American and Chinese forces.²⁷⁹ During the artillery duel between PLA and ROC and American forces on Quemoy, the then U.S. Secretary of State and Chiang Kai-shek made a common statement, declaring that the islands of Quemoy and Matsu were closely related to the defence of Taiwan, to which the U.S. was committed under the 1954 mutual defence treaty.²⁸⁰ USA stood firmly behind Taiwan and supported it in the UN as well as in other fora

At the end of the next decade, the situation began to change. Relations between China and the Soviet Union deteriorated to the extreme of military confrontations along the land border in 1969. USA was experiencing increasingly severe problems in the war in Vietnam and wished to disentangle from that. The PRC could be helpful in this respect, but wanted something in return. Finally, a visit by President Nixon to China was arranged in great secrecy, at the end of which a Shanghai Communiqué was issued. The U.S. noted the PRC’s claim to be the “sole representative of China” but did not accept it. It did, however accept that China became a member of the United Nations, which in turn led to the withdrawal of Taiwan. Many things were left undefined for some time, but USA and China continued the normalisation process, which had been started and which was completed when USA formally switched recognition from Taipei to Beijing in 1978.²⁸¹

President Carter’s switch of recognition caused a strong reaction in Congress, since it had not been prepared by the usual series of consultations. As a result, it was possible to form a bipartisan coalition that, at the end of the process, led to the so-called Taiwan Relations Act, which president Carter had to sign into law in 1979. According to the Act, Taiwan was able to keep its property and government bank accounts in the USA, and all treaties and agreements between Taiwan and USA continued to be in force. According to American law, Taiwan continued to be a country and its government a foreign government. The American Institute in Taiwan took over the responsibilities of the U.S. Embassy in Taipei.²⁸²

According to the Taiwan Relations Act, the U.S. policy is to:

“Provide Taiwan with arms of a defensive character; and to maintain the capacity of the United States to resist any resort to force or other forms of coercion that would jeopardize the security, or the social or economic system, of the people on Taiwan”.²⁸³

²⁷⁸ Hung, Chen-chao (2000) *A History of Taiwan*, Rimini, Il Cerchio Iniziative Editoriali, pp.264-272.

²⁷⁹ Hung, Chen-chao (2000) *A History of Taiwan*, Rimini, Il Cerchio Iniziative Editoriali, p.279.

²⁸⁰ Hung, Chen-chao (2000) *A History of Taiwan*, Rimini, Il Cerchio Iniziative Editoriali, p. 281.

²⁸¹ Lee, Bernice (1999) *The Security Implications of the New Taiwan*, Adelphi Paper 302, London, International Institute of Strategic Studies, p. 19.

²⁸² Hung, Chen-chao (2000) *A History of Taiwan*, Rimini, Il Cerchio Iniziative Editoriali, p.299.

²⁸³ Lee, Bernice (1999) *The Security Implications of the New Taiwan*, Adelphi Paper 302, London, International Institute of Strategic Studies, p.20.

This act is still in force. In order to implement it, a review has been made each year until 2001 to determine the military needs of Taiwan during the next budgetary year and a decision is made, usually toward the end of April, about what weapons Taiwan shall be allowed to buy from the United States. In 1982, USA undertook not to increase the level of arms sales to Taiwan and to gradually reduce it “to a final solution”.²⁸⁴ In practice, the American deliveries have not been reduced.

In 1995, a new crisis erupted in the U.S.-China relations. Taiwan’s President Lee Teng-hui was granted a visa to visit his “Alma Mater” Cornell University, where he made a speech, which caused strong reactions from China. The PLA performed missile tests outside the coast of Taiwan, landing missiles near Taiwanese commercial ports. This took place a few months before presidential elections in Taiwan, and warnings from USA about the consequences of continuing that kind of practices were of no avail, not even when Assistant Secretary of Defense, Joseph Nye reiterated the U.S. commitment to the Taiwan Relations Act. PLA undertook to perform the largest and most complex manoeuvres ever undertaken in the Taiwan Strait.

As a response and a warning, the U.S. aircraft carrier Nimitz, en route from Japan to the Persian Gulf, sailed through the Taiwan Strait, the first U.S. carrier to do so for 17 years. The Nimitz episode was intended as a signal that the U.S. regarded the Taiwan Strait as international water. Nye, in a press statement further stressed, “Nobody knows how the U.S. would respond to a Taiwan Strait conflict, though both sides should be aware of the “grave danger” and risks of escalation”. This did not deter China from escalating its military activity in the first months of 1996, even launching ballistic missiles near Taiwan. This caused the U.S. Government to deploy an entire battle group headed by the aircraft carrier “Independence” near Taiwan and somewhat later to add another battle group under the “Nimitz” to join it. The Chinese war games ended in March the same year.²⁸⁵

In September 1997, new guidelines for the American-Japanese Defence Co-operation were issued jointly by USA and Japan. They included “responses to situations in areas surrounding Japan”.²⁸⁶ This caused severe criticism from Beijing and a debate about whether this has changed the strategic picture around Taiwan.²⁸⁷

President Clinton tried to carry on a “strategic dialogue” with Beijing. During a visit to China, in 1998, Secretary of State Madeleine Albright agreed to make a statement, wherein she made clear that USA

- Did not have a “one-China, one-Taiwan” or a “two-China” policy;
- Did not support Taiwanese independence; and
- Did not support the island’s membership in international organisations if statehood was an entry requirement. This policy has been called “the three nos” and has been criticised in the U.S.

²⁸⁴ Lee, Bernice (1999) *The Security Implications of the New Taiwan*, Adelphi Paper 302, London, International Institute of Strategic Studies, p.78.

²⁸⁵ Lee, Bernice (1999) *The Security Implications of the New Taiwan*, Adelphi Paper 302, London, International Institute of Strategic Studies, p.48-51.

²⁸⁶ *Defense of Japan* (1999) Tokyo, Defense Agency of Japan, p. 132.

²⁸⁷ Lee, Bernice (1999) *The Security Implications of the New Taiwan*, Adelphi Paper 302, London, International Institute of Strategic Studies, p. 60.

President Clinton also made statements that led to an unofficial doctrine called the “Doctrine of Strategic Ambiguity”. Its basic meaning is that USA does not commit itself to the defence of Taiwan, should it be attacked by China, nor commit itself to abstain from defending it in case of an attack by China.²⁸⁸

In his book “Does America need a Foreign Policy” Henry Kissinger makes a more subtle statement. He says that

“Every American President has also affirmed his abiding concern for a peaceful resolution of the issue—a euphemism for opposition to the use of force – as did the Taiwan relations Act of 1979, which enshrined the principle in American Law”.²⁸⁹

A Chinese scholar, Pan Zhongqui, has interpreted the meaning of the strategic ambiguity policy in more clear terms:

“The subtext of the strategic ambiguity policy is that both sides of the Taiwan Strait will not risk war given the unclear level of U.S. involvement, thereby maintaining peace and security in the Taiwan Strait.”²⁹⁰

Taiwan’s External policy

Externally, Taiwan’s policy on the unification issue underwent three stages after the Second World War

- During Chiang Kai-shek’s lifetime the policy was sometimes formulated by the words “Taipei is China”, implicating that Taiwan represented the entire Chinese people. The Constitution was China’s constitution, and the communist regime was not a government, only leaders of a rebellion. The People’s Republic of China (the PRC) contested this policy after its foundation in October 1949. To some extent, it was also contested by the fact that several countries instead recognised the PRC and not ROC (in spite of ROC keeping the seat of “China” in the UN and especially in the Security Council of the UN). The influence of the PRC also grew, when it came out of its isolation, starting in 1972.
- The second stage came with Chiang Kai-shek’s son Chiang Ching-kuo became Prime Minister, in 1972. He took over most of the daily functions from his father, who was sickly toward the end of his life and died in 1975 – after which the son became president of ROC.²⁹¹ He died in 1988. During this period, some development could be discerned in the PRC-ROC relations or the Taiwan strait-relations, as they use to be called in official texts. Chiang Ching-kuo’s policy was described by the words that “Taiwan is part of China”, recognising that PRC existed as a fact of life. However, he also formulated a policy of three “nos” toward PRC, namely:

²⁸⁸ Lee, Bernice (1999) *The Security Implications of the New Taiwan*, Adelphi Paper 302, London, International Institute of Strategic Studies, p. 61-63.

²⁸⁹ Kissinger, Henry, *Does America need a Foreign Policy?* New York, Simon & Schuster, p.151.

²⁹⁰ Pan, Zhongqui, *The Dilemma of Deterrence: U.S. Strategic Ambiguity Policy and its Implications for the Taiwan Strait*, <http://www.stimson.org/cbm/vf/pastvfs/pan.html>, accessed 30 November 2001.

²⁹¹ Hung, Chen-chao (2000) *A History of Taiwan*, Rimini, Il Cerchio Iniziative Editoriali, p. 295.

- No compromise,
 - No contact and
 - No negotiation.²⁹²
- His successor Lee Teng-hui had been elected in general, democratic and direct elections. Initially, his policy could be described by the words “Taiwan is Taiwan”, but at the end of his presidency (in 1999), he started talking of the Taiwan cross strait relation “as a state-to-state relationship or at least a special state-to-state-relationship”.²⁹³

As mentioned before, most countries recognised Taiwan as the sole representative of “China” after the Second World War, but after the PRC had been founded in 1949, several important countries recognised the PRC instead. This did not change Taiwan’s status as permanent member of the UN Security Council, and practically all countries had to establish some kind of a functioning channel for communications with the Taiwanese Government. Taiwan was able to obtain this situation only with the strong support from USA. When, in 1971, President Nixon changed the U.S. policy and recognised the PRC, an obvious consequence was to allow membership in the United Nations for PRC. That resulted in a change of the situation for Taiwan as well. During the meeting of the UN General Assembly a procedural complication was utilised by the allies of the PRC that made it likely that Taiwan could be voted out of the world organisation. When this became obvious, Taiwan, as a consequence, announced its withdrawal from the UN. Many countries broke off diplomatic relations with Taipei.²⁹⁴

In 1978, President Carter announced that USA would derecognise Taiwan and establish full diplomatic relations with the PRC. Most other countries followed the American example. Only some 30 countries still maintain them. In this situation Taiwan became more flexible, and accepted that states with diplomatic relations with China did not have to relinquish them as a precondition for recognising Taipei. It also accepted a “less-than-statehood” position, if doing so would lead to participation in international bodies such as the Asia-Pacific Economic Co-operation (APEC) and the Asian Development Bank (ADB).²⁹⁵ The Republic of China (ROC) had been one of the founding members of the General Agreement on Tariffs and Trade (GATT), but had left it in 1950. When Taiwan initiated negotiations about membership again, it had to accept to do so under the name of “The Separate Customs Territory of Taiwan, Penghu, Kinmen (Quemoy) and Matsu”.

This arrangement was continued, when the GATT was transformed into the World Trade Organisation (WTO), and Taiwan had been able to gain status as an observer until it could become a member as well, which would not take place until the PRC had joined the organisation (in November 2001).²⁹⁶ In this way, Taiwan has sought to create a diplomatic platform outside the UN and has established 102 non-official representation offices to manage its economic and other relations with foreign countries that do not require official status. The PRC has not shown a benign attitude to this policy of Taiwan – it has mostly been tolerated but not approved.

²⁹² Hung, Chen-chao (2000) *A History of Taiwan*, Rimini, Il Cerchio Iniziative Editoriali, p.325.

²⁹³ Ibidem.

²⁹⁴ Hung, Chen-chao (2000) *A History of Taiwan*, Rimini, Il Cerchio Iniziative Editoriali, p.293.

²⁹⁵ Lee, Bernice (1999) *The Security Implications of the New Taiwan*, Adelphi Paper 302, London, International Institute of Strategic Studies, p. 32.

²⁹⁶ Mastel, Greg (1999) *Taiwan in the WTO: An economic and Policy Analysis*, Taipei, The Center for National Policy, p. 103.

When Lee Teng-hui became the president of Taiwan, he initially introduced a more soft-spoken attitude to relations with the mainland. A Mainland Affairs Council was established in 1990 to direct cabinet-level planning, evaluation and co-ordination of policy. In the same year Lee Teng-hui announced that the state of civil war - The Period of National Mobilisation for the Suppression of the Communist Uprising – would end in May the following year.²⁹⁷ The use of force was explicitly rejected as a means to achieve unification and the Communist Party of China was implicitly recognised as a political entity in control of the mainland. A cross-straits body was established for unofficial contacts with the mainland. The Government-financed Taiwan's Straits Exchange Foundation was set up under the Mainland Affairs Council to conduct unofficial negotiations.²⁹⁸

Economic and personal relations across the Strait

At the end of the 1970s, the Communist Party of China decided to open up for economic exchange with the outside world. On the 1st January 1979, the Standing Committee of the National People's Congress issued a "message to Compatriots on Taiwan", calling for cross-straits talks.²⁹⁹

In 1987, China opened for visits by Taiwanese tourists and businessmen.³⁰⁰ China opened its markets to Taiwanese investors and ten coastal ports were designated for Taiwanese investments, shipping and trade. Regulations were issued with tax incentives for Taiwanese. Although certain restrictions for trade and investments remained on the Taiwanese side, China has become Taiwan's second largest export market. According to Chinese sources, there are contracts on Taiwanese investments amounting to USD 44 billion and investments worth USD 24 billion have already been made.³⁰¹

The trend toward more stress on economic factors in China's Taiwan-policy was carried further, when a body corresponding to Taiwan's Straits Exchange Foundation (SEF) was created in 1990 with the name "Association for Relations Across the Taiwan Straits"(ARATS), whereby reference was made to the "one country, two systems" formula. Representatives from SEF and ARATS met in Singapore in 1993, and four agreements on communications across the straits were signed – and implemented.³⁰²

Further meetings between the two cross-straits bodies were not productive. When relations had worsened in connection with Chinese naval exercises near Taiwan in 1995, ARATS notified the SEF that the bilateral talks would be broken off.

Domestic policy in Taiwan after 1949

²⁹⁷ Leijonhufvud, Göran (2000) *Taiwan - oberoende eller återförening?* Stockholm, Utrikespolitiska Institutet, p. 7.

²⁹⁸ *Mainland Affairs Council: An introduction*, (2001) Executive Yuan, Republic of China, Taipei, p.6-9.

²⁹⁹ *The Taiwan Question and Reunification of China* (1993) Beijing, Taiwan Affairs Office & Information Office State Council, p.12.(Actually a preparation for the abovementioned nine principles of Marshall Ye Janying.)

³⁰⁰ *Principen om ett enat Kina och Taiwanfrågan*, April 2000, Stockholm, the Culture and Information Department of the Embassy of the People's Republic of China, p. 13.

³⁰¹ *Ibidem*.

³⁰² Lee, Bernice (1999) *The Security Implications of the New Taiwan*, Adelphi paper 302, London, International Institute of Strategic Studies, p. 22.

The Constitution remained the 1947 Constitution of the Republic of China. Chiang Kai-shek was elected by the National Assembly, and that electoral college was to be elected in popular elections all over China again in 1954. After that, the new National Assembly had to elect a new president in the same year. In September that year, Chiang Kai-shek proposed that an extension of the term of office of the delegates to the first National Assembly until a general election could take place on the mainland of China. This was accepted, and he was re-elected as president for a new six-year term. Martial law was approved under special provisions during “the period of national Mobilisation for the Suppression of the Communist Uprising”.³⁰³

Chiang Kai-shek and the Kuomintang continued to run the island under a thin democratic disguise, but in reality an authoritarian system.³⁰⁴ He set up as an important mission for Taiwan to act as the custodian of Chinese culture. This became even more important during the time of the Cultural Revolution in China, when much of the traditional expressions of Chinese culture were destroyed. This influenced the curriculum in the schools, and most aspects of cultural life. An imposing monument over this effort was the creation of “The National Palace Museum” in Taipei, perhaps the world’s greatest collection of Chinese historical and cultural treasures. The efforts to represent the traditions of Chinese culture have permeated much of the Taiwanese society and remain a prominent feature today.³⁰⁵

Chiang Kai-shek started to groom his son, Chiang Ching-kuo for taking over his own role already in 1965. The son became Prime Minister in 1972. He soon started nominating Taiwanese – as opposed to mainlanders, who had arrived after the end of the Second World War – and civilians rather than military men to top administration posts. Chiang Kai-shek died in 1975, and in 1978 Chiang Ching-kuo was elected president by the National Assembly, which still basically consisted of the men who had been its members since the flight from the mainland.³⁰⁶

After the American switch of recognition from Taiwan to the People’s Republic of China in 1978, popular demands for democracy began to gain strength, and Chiang allowed them to be heard and to speak out. Incidents occurred, however. In supplementary elections to the National Assembly and the Legislative Yuan³⁰⁷ in 1980, the unofficial candidates for an unofficial opposition gained a certain number of votes, but still far from a majority. In 1986, they were allowed to appear openly as opposition candidates, in spite of still being formally forbidden to do so. This election became a genuine two-party election. In 1987 Chiang Ching-kuo formally lifted martial law, and different forms of legislation needed for the introduction of real democracy were decreed. Censorship was terminated.³⁰⁸

When Chiang Ching-kuo died in 1988, the vice president Lee Teng-hui became president. He continued and completed the democratisation of Taiwan. Of the parties, which emerged as opposition parties, the first one was the Democratic Progressive Party (DPP), which was proclaimed already in 1986. It advocated democracy and independent defence and foreign

³⁰³ Hung, Chen-chao (2000) *A History of Taiwan*, Rimini, Il Cerchio Iniziative Editoriali, p.277.

³⁰⁴ Hung, Chen-chao (2000) *A History of Taiwan*, Rimini, Il Cerchio Iniziative Editoriali, p.278.

³⁰⁵ Hung, Chen-chao (2000) *A History of Taiwan*, Rimini, Il Cerchio Iniziative Editoriali, p.268.

³⁰⁶ Lee, Bernice, (1999) *The Security Implications of the New Taiwan*, Adelphi paper 302, London, International Institute of Strategic Studies, p.29

³⁰⁷ The Legislative Yuan is an elected body and in those days it filled most of the functions of a parliament.

Today, the legislative Yuan is the parliament, and all its members are elected in general elections.

³⁰⁸ Hung, Chen-chao (2000) *A History of Taiwan*, Rimini, Il Cerchio Iniziative Editoriali, p. 302- 304.

policies. It soon took as its profile to represent the Taiwanese as opposed to KMT, which they accused of representing only the mainlanders on Taiwan. It was later joined by the “New Tide”, which remained small and advocated outright independence for Taiwan and the “New Party” which advocated reunification and a policy of “appeasement” with China.³⁰⁹

Post-war economic development in Taiwan

When Chiang Kai-shek came to the island in 1949, Taiwan was in obvious need of economic assistance. This came from USA, beginning in that same year, first in the form of basic medical supplies, yarns and other raw materials needed for sustaining livelihood. Soon advisors and resources for rehabilitation of agriculture and industry were added, and the farmers’ associations created by the Japanese occupation authorities were revived with some success. The American aid – which totalled around one billion USD during the years 1950 to 1965, when it was abrogated – helped Taiwan overcome the initial bothersome trade deficits running into hundreds of millions of dollars. It also helped in establishing a system of central economic planning for development of infrastructure and promoting industry.³¹⁰

Industrialisation of Taiwan had begun during the Japanese occupation, but it had focused on traditional branches like cement, aluminium, chemicals, oil refining, metals and shipbuilding. Entrepreneurs fleeing from the mainland brought both capital and know-how. Increasing demand from farmers, who benefited from higher income due to rationalisations, fuelled domestic demand, and soon investments accelerated in the light industry sector. Starting in 1953 a system of four-year plans for infrastructure investments and industry promotion was introduced.³¹¹

During the 1960s, a shift took place from import substitution to labour intensive export oriented growth to higher value added technologies, which dominated the early 1970s. State promotion helped initiating an astounding success in the IT sector, beginning already in the late 1970s with the production and design of computer chips. Personal computers and peripherals constituted 6.9 per cent of the total export figure in 1987. Most large international enterprises in this sector opened up business in Taiwan, and Taiwanese companies invested abroad. By 1989 Taiwan invested 4.6 per cent of its annual GNP abroad. The financial system was liberalised.³¹²

Taiwan’s economic development has been one of the most remarkable success stories among the so-called Asian Tigers. Today Taiwan has a 285 billion-dollar economy. It is the world’s twelfth largest trading partner.³¹³ GDP per capita is calculated as USD 15,600 in 1999 in purchasing power parity terms, the corresponding figure for China being USD 4,000.³¹⁴

³⁰⁹ Lee, Bernice (1999) *The Security Implications of the New Taiwan*, Adelphi Paper 302, London, International Institute of Strategic Studies, p. 30-31.

³¹⁰ Hung, Chen-chao (2000) *A History of Taiwan*, Rimini, Il Cerchio Iniziative Editoriali, p. 270-273 and p. 290.

³¹¹ Hung, Chen-chao (2000) *A History of Taiwan*, Rimini, Il Cerchio Iniziative Editoriali, p. 270-273 and p. 287-289.

³¹² Maidment, Richard, Goldblatt, David and Mitchell, Jeremy (1998) *Governance in the Asia-Pacific*, London, Routledge, p.176 and 179.

³¹³ Mastel, Greg (1999) *Taiwan in the WTO: an economic and Policy Analysis*, Taipei, Center for National Policy, p. 1

³¹⁴ *The Military Balance* (2001) London, The International Institute for Strategic Studies, p. 214.

Summing up Taiwan's situation in 1997

In a working-paper for a Swedish regional ambassadorial conference on Asia in 1997,³¹⁵ it was underlined that, in spite of the absence of diplomatic relations between USA and Taiwan, the U.S. policy has been influencing the limits to what had been politically possible for Taiwan for a long time. The high expectations on the Chinese market constituted the most important element behind the improvement in U.S.-Chinese relations that were evident. At the same time, a further improvement of these relations were blocked by the existence of the Taiwan issue, which further had the potential of damaging the U.S. reputation in Asia and its reliability as protector of its clients.

In Taiwan, the successes of the capitalist economic system and the firmness of the democratic system made it unacceptable to subordinate Taiwan to a non-democratic and communist regime. To preserve the existence, security and welfare of the inhabitants were said to be the highest priority for Taiwan. At the same time there was a strong wish to achieve unification with China under democratic conditions, freedom and fair distribution of the economic resources.

During the Clinton administration, China had seen an opportunity to intensify its diplomatic efforts to block Taiwan on the international arena. The handover of Hong Kong from the UK to China under the formula "One country, two systems" had caused certain fear in Taiwan that China might further increase its pressure. It was also feared that the USA and the rest of the world would tend to see the Hong Kong model as an acceptable formula for solving the Taiwan issue, while the majority of the Taiwanese people regarded that solution as unacceptable.

The former political dialogue through half-official channels had broken down in 1995 and had not been resumed. "China regarded Taiwan as a renegade province", trying to separate itself from the People's Republic. China had made it a precondition for talks already long ago but now made it a more insisting demand that Taiwan accept China's interpretation of the formula of "One China". That could not be accepted by Taiwanese authorities, which wanted China to stop treating Taiwan as a province.

Taiwan made efforts to pursue a flexible diplomacy, being active in its relations with the thirty-or-so nations who recognised Taiwan diplomatically. There were some hopes in Taiwan that membership in the World Trade Organisation for both Taiwan and China would help Taiwan to get a forum for contacts even in other questions than those directly related to trade.

At the same time, the government had become less open-minded in issues regarding trade with China. Regulations for investments in China had become tightened, both regarding size and scope.

On the domestic scene, the opposition party DPP had been gaining strength. Social, political problems as well as increasing criminality and accusations about government corruption had weakened the reigning party, the Kuomintang. The DPP had toned down its insistence on

³¹⁵ Swedish Export Council Taipei, Fax to the Ministry for Foreign Affairs, 16 October 1997, *Taiwan-PM inför regionalmötet i Jakarta*.

immediate independence for Taiwan, while public opinion polls had shown that more people were now arguing for independence than those who wished a future unification with China.

CHAPTER TWO: How can Taiwan be both separate and part of China? Seeking the answer in Taiwan of today

Pressures from abroad before presidential elections on Taiwan

During a visit to Beijing in 1998 U.S. president Bill Clinton stated explicitly, for the first time by an American president, that he rejected the concept of two Chinas and said that Washington would not support Taiwanese independence or Taiwanese membership of organisations requiring statehood. This became known as “the three nos” and was appreciated in Beijing as a step forward in relations with the USA.³¹⁶ A spokesman for Taiwan’s Foreign Ministry said

“The United States and Communist China have no right to discuss Taiwan affairs”.

While remaining positive to small steps in the exchange of people and even some limited exchange of military officials,³¹⁷ China continued to insist that Taiwan stop “splitting the motherland in the name of democracy” and that there is only one China. Taiwan is “an inalienable part of Chinese territory”.³¹⁸ When the government party Kuomintang was victorious in legislative and mayoral elections in Taiwan, the comments from Beijing were cautiously welcoming and even tolerant. “We fully respect the lifestyles of the Taiwan compatriots and their desire and right to be the masters of their own house. At the same time we oppose Taiwan’s breakaway forces and using democracy as an excuse to engage in activities to split the country.”³¹⁹

The outcome of the 1999 annual arms-sales review was that Taiwan was allowed to buy 240 Hellfire anti-tank missiles, Super cobra attack helicopters, OH-58D Kiowa Scout helicopters and intelligence electronic warfare equipment.³²⁰ Furthermore, in connection with the arms sales decision a former U.S. Secretary for Defense, Dr. Harold Brown, warned that if war broke out between the mainland and Taiwan, it might lead to confrontation between the U.S. and China.³²¹

A Foreign Ministry spokesman in Beijing expressed strong indignation and firm opposition.³²² Two months later, China’s Foreign Minister Tang Jiaxuan used the Association of Southeast Asian Nations (Asean) Regional Forum (ARF) for a public warning that the Taiwan question was purely an internal matter for China.

“Any move towards separatism or foreign forces seeking independence for Taiwan would provoke war”.³²³

³¹⁶ *Jane's Defence Weekly*, 4 August 1999, <http://www.china-embassy.org/eng/7120.html>, accessed on 26 November 2001.

³¹⁷ *The Hong Kong Standard*, 16 December 1998.

³¹⁸ Foreign Ministry Spokesman, Tang Guoqiang, quoted in *China Daily*, 2 December 1998.

³¹⁹ Statement quoted in *The Hong Kong Standard*, 8 December 1998.

³²⁰ *The Hong Kong Standard*, 31 May 1999.

³²¹ *South China Morning Post*, 20 May 1999.

³²² *China Daily*, 2 June 1999.

³²³ *South China Morning Post*, 27 July 1999.

Against this background, and while preparing for the presidential elections in 2000, Taiwan's president Lee Teng-hui made a statement in July 1999 that caused consternation in Beijing. In a radio interview in Taipei with the German radio station "Deutsche Welle", he redefined the Cross-straits relations as "Special state-to-state relations". Until then, official policy had always left open the possibility to either interpret the Taiwanese standpoint as representing the whole of China or being a part or even a province of China.³²⁴ President Lee's redefinition was to have far-reaching consequences. He actually seems to have wished to say that the relationship was neither one between two independent states nor one between a central and a local government, but rather a special relationship between equals. On the mainland, however, the use of the state-to-state term caught all the attention and was interpreted as a step toward a declaration of independence.

Taiwan's Defence Minister declared a few weeks later, that Taipei would build a low-altitude missile shield to counter any threat from mainland projectiles. The system would come under a "national missile defence" project, which had mistakenly been interpreted as part of the U.S.-led "Theatre Missile Defense"(TMD). He stressed that the system would be "our own".³²⁵ This was somewhat modified, but not contradicted, by the president a few days later. After having been briefed on the signing of a memorandum between Washington and Tokyo on sharing technology on anti-missile defences, he said that Taiwan "should join a proposed U.S.-Japan missile shield".³²⁶ He ordered the Defence Ministry to work on the plans.

The U.S. administration did not respond very explicitly to these seemingly hardening Taiwanese positions. Basically, there were warnings on lower levels of officialdom that Taiwan should not reject Beijing's understanding of the "one China policy". This attitude was criticised by the opposition in USA. A group of 23 conservative prominent persons, including former Defense Secretary Caspar Weinberger, former Assistant Defense Secretary Richard Armitage, and the President of the Heritage Foundation, Edwin Feulner. They declared "it has become essential that the United States makes every effort to deter any form of Chinese intimidation of the Republic of China on Taiwan".³²⁷

At the end of August 1999, Taiwan's ruling party, the Kuomintang, incorporated President Lee's Two-State theory into its party charter at the same time as its presidential candidate, Lien Chan, for the 2000 election was nominated.³²⁸

"Taiwan heads to war abyss" was the title of a leading article in the *China Daily*, only a few days later. It went on to declare that Taiwan had been pushed one step closer to the abyss of war as a result of the ruling Kuomintang (KMT) decision to include "President" Lee Teng Hui's statehood call in a party document. It also mentioned that the day before, the People's Liberation Army had conducted submarine warfare exercises and missile tests. President Jiang Zemin, in an interview with an Australian newspaper, reiterated Beijing's insistence on the right to use force against Taiwan.³²⁹ The statements had been such that the Foreign Ministry found it necessary to have a spokesman deny that Beijing had been threatening Taiwan with

³²⁴ <http://taiwansecurity.org/TS/SS-990709-Deutsche-Welle-Interview.html>.

³²⁵ *South China Morning Post*, 4 August 1999.

³²⁶ *South China Morning Post*, 19 August 1999.

³²⁷ *South China Morning Post*, 26 August 1999.

³²⁸ *South China Morning Post*, 30 August 1999.

³²⁹ Mr. Lien Chan, Vice President of Taiwan, *China Daily* 1 September 1999.

nuclear war. “We will not be the first to use nuclear weapons and we will not use nuclear weapons against our Taiwan compatriots”.³³⁰

By this time, it started to leak out from Beijing that the oncoming presidential elections in Taiwan were worrying the Chinese leaders. The members of the Standing Committee were to receive daily reports about developments in cross-straits relations and Taiwan politics.³³¹ The mainland magazine “China Business Times” said in an article that “any military action against Taiwan would depend on the position of its next president on “the two-states theory” and Taiwan’s participation in a U.S. initiated anti-missile scheme”.³³²

Domestic factors also change the picture

A generation gap seemed to develop in Taiwan, a fact that will become more important, since more than half of Taiwan’s 21.7 million people is under 40. A poll by a TV station showed that more than half of respondents aged 20 to 29 backed the status quo in China-Taiwan relations, compared with 43 per cent of all people questioned. Nine out of ten people aged 18 to 44 said they considered their country to be Taiwan, rather than China or China and Taiwan combined. This tendency seemed to favour the presidential candidate of the opposition party, the DPP, Chen Shui-bian, in the elections that were to take place in 2000.³³³

An earthquake changed the direction of events. It occurred in September 1999 and it killed more than 1,700 persons and injured an additional 4,000 persons.³³⁴ Newspaper reports said that the island had experienced a tide of outspoken anger against the governing party for what was widely perceived as slow, badly co-ordinated and insufficient rescue and relief efforts. A survey by cable television station TVBS found 55 per cent of 1155 people questioned were unhappy with the Government’s rescue and relief efforts. There were concerns that the anger might be reflected in the upcoming March 2000 presidential elections.³³⁵ Beijing used the opportunity to remind the world of its stand on the independence issue by telling the United Nations that it must seek Beijing’s consent before the world organisation could offer any aid to the victims of the earthquake.³³⁶

Beijing shows its concern

A sign of increased concern in Beijing over the prospects that the pro-independence DPP candidate Chen Shui-bian could win the presidential election came on 21 February 2000, when a new White Paper on “The One China Principle and the Taiwan Issue” appeared.³³⁷ As compared with the previous White Paper (in August 1993) the urgency of initiating negotiations - on PRC’s conditions – was stressed more explicitly. The paper concluded with the warning that now, since Hong Kong and Macau had been handed over to China, PRC

³³⁰ *South China Morning Post*, 3 September 1999.

³³¹ *South China Morning Post*, 25 August 1999.

³³² *South China Morning Post*, 26 August 1999

³³³ *Asia Weekly*, 19 November 1998.

³³⁴ *Asia Wall Street Journal*, 22 September 1999.

³³⁵ *South China Morning Post*, 28 September 1999.

³³⁶ *South China Morning Post*, 5 October 1999.

³³⁷ *Principen om ett enat Kina och Taiwanfrågan*”, April 2000, Stockholm, the Culture and Information Department of the Embassy of the People’s Republic of China.

could not accept a solution of the reunification issue to be deferred indefinitely. The conditions under which PRC would use force were repeated:

- If Taiwan denies the principle of one China and tries to separate Taiwan from China's territory,
- If Taiwan is invaded by a foreign country,
- If Taiwan refuses peaceful reunification through negotiation.³³⁸

PRC insists that these negotiations be based on the principle of one China only, and that Taiwan cannot claim statehood.³³⁹ The paper warned that USA should not act in a way that could threaten peaceful reunification.³⁴⁰ Beijing opposed any change of Taiwan's status as part of China through a referendum, Taiwan membership of UN or other international organisations that require statehood for membership as well as the "two Germanies" model being applied to mainland-Taiwan ties.³⁴¹

The first official response came from USA. Mr. Joe Lockhart, spokesman for the American president, sharply criticised the threat against Taiwan and even hinted that the United States was prepared to send naval forces to the area, if necessary.³⁴² There were warnings in the U.S. Congress that the threat to use force could jeopardise the mainland's entry into the World Trade Organisation.³⁴³

Beijing was quick to respond. Only two days later, a PRC Foreign Ministry spokesman, Zhu Bangzao, said that

"The mainland government expresses strong dissatisfaction and resolute opposition to the U.S. criticism".³⁴⁴

He claimed that Washington violated the joint Sino-U.S. communiqués by raising plans for a Theatre Missile Defence system, by the House of Representatives voting for increased military-to military contact with Taipei and by USA selling arms to Taiwan.

In Taipei, the government issued a brief response. "It is a well-known fact that the two sides of the Taiwan Strait have been under separate rule since 1949".³⁴⁵ Taiwan's president Lee Teng-hui used the word "hooligans" for the leadership of PRC because of its threat to use force.³⁴⁶ Voters on Taiwan did not show any change in attitude after the appearance of the Beijing White Paper, according to opinion polls.³⁴⁷ Support for Chen Shui-bian remained the same as before.

Shortly before the presidential elections in Taiwan, the National People's Congress held a session in Beijing. According to press reports, the delegates were in agreement with the

³³⁸ Ibidem, p.18.

³³⁹ Ibidem, p.14 and p.16.

³⁴⁰ Ibidem, p.11.

³⁴¹ Ibidem. p.20, p.25 and p.21.

³⁴² *International Herald Tribune*, 23 February.

³⁴³ *The Hong Kong Standard*, 25 February 2000.

³⁴⁴ Ibidem.

³⁴⁵ *International Herald Tribune*, 23 February 2000.

³⁴⁶ *The Hong Kong Standard*, 27 February 2000.

³⁴⁷ *The Hong Kong Standard*, 25 February 2000.

leadership on the stern warnings sent to the people of Taiwan, but some potential opposition against really resorting to the use of force was also reported.³⁴⁸

Meanwhile in Taiwan, it became clear during the last weeks before the election that the DPP candidate Chen Shui-bian had a real chance of winning the presidency. It was also likely, however, that he would have to form a coalition government, since his own party only had 70 of the 225 seats in parliament. In the face of these events, he made an important modification of his election platform. He declared through a spokesman that as president he would not unilaterally declare independence nor initiate a referendum on the issue unless faced by an imminent attack. He would also not put the concept of “country-to-country” relations into the constitution.³⁴⁹

In a press conference during the week before the election, PRC premier Zhu Rongji made an emotional appeal to Taiwanese voters not to act on impulse. He warned that no form of independence would be tolerated.

“This is the bottom line of the Chinese Government on the Taiwan issue”. The Chinese people are ready to shed blood and sacrifice their lives to defend the sovereignty and territorial integrity of the motherland”.

He also gave a strong warning to the USA not interfere with threats about making obstacles for China’s joining the World Trade Organisation as a result of Beijing’s pressure on Taiwan.

”President Clinton also once said that if the U.S. congress fails to approve the PNTR³⁵⁰ status for China, the United States will spend the next 20 years regretting for it. Let me add that I do not think the United States would regret for merely 20 years in that case. Maybe hundreds of years and even thousands of years later, when the American people open the records of history, they may see what a mistake the United States has made and they regret for that and the only thing they can do is just to close the history books and sigh”.³⁵¹

In spite of these harsh words, there was no explicit commitment to really resort to the use of force in Mr. Zhu’s speech. Such assurances came only from security policy experts and lower ranking officials.³⁵² The well-known China expert and journalist Willy Wo-lap Lam in Hong Kong reported that a source close to Beijing’s Taiwan policy-making establishment said that the strongest response had come from PLA generals, some of whom urged intensified preparations for war games off the Taiwan coast, but that the leading group had decided at least temporarily not to adopt the stand that China will not deal with Chen Shui-bian. They instead had adopted

“The more flexible step of asking famous scholars to repeat the PLA’s hard line that a choice for the DPP means war”.³⁵³

³⁴⁸ *South China Morning Post*, 8 March 2000.

³⁴⁹ *South China Morning Post*, 16 March 2000.

³⁵⁰ Permanent Normal Trade Relations

³⁵¹ *China Daily*, 16 March 2000.

³⁵² For instance from Mr. Xu Bodong, director of Taiwan Research at Beijing United University, *China Daily*, 17 March 2000.

³⁵³ *South China Morning Post*, 16 March 2000.

The ruling Kuomintang party in Taiwan made use of these threats to warn the voters that if pro-independence candidate Chen Shui-bian won the presidency, Taiwanese "families, lives and properties" would be in jeopardy.³⁵⁴ Taiwan's defence minister Tang Fei, put the armed forces of Taiwan on alert.³⁵⁵ The U.S. Defence Secretary William Cohen appealed to the mainland to end the month-long campaign of intimidation. "The threat of use of force is counterproductive", he said.³⁵⁶

³⁵⁴ *South China Morning Post*, 17 March 2000.

³⁵⁵ *The Hong Kong Standard*, 17 March 2000.

³⁵⁶ *Ibidem*.

A clearer picture on Election Day³⁵⁷

Mr. Chen Shui-bien then made an important statement on the day before the Election Day. After becoming president, he would cease to take part in the activities of political parties, including his own DPP. “I’ll devote my full energy to be a good president for the entire people I’ll become a non-partisan president”.³⁵⁸ This was widely interpreted as effort to counter allegations that a vote for him meant a risk for war with China.

The outcome of the elections was a narrow victory for Chen Shui-bian and a total defeat for the Kuomintang. The DPP-candidate Chen Shui-bian got 4,977,737 votes, and the independent (formerly Kuomintang) James Soong got 4,664,932 votes. The Kuomintang candidate Lien Chan got only 2,925,513 votes and announced his resignation, taking responsibility for the defeat. The independent Hsu Hsin-liang got 79,429 votes and the New Party candidate Li Ao ended up last with 16,782 votes.³⁵⁹

Mr. Chen spoke to the press and reassured the public that neither he nor his party would upset stability by promoting radical or independence-seeking moves. He later repeated these intentions in his inaugural speech:

“I fully understand that, as the popularly elected 10th-term president of the Republic of China, I must abide by the Constitution, maintain the sovereignty, dignity and security of our country, and ensure the well being of all citizens. Therefore, as long as the CCP regime has no intention to use military force against Taiwan, I pledge that during my term in office, I will not declare independence, I will not change the national title, I will not push for the inclusion of the so-called “state-to-state” description in the Constitution, and I will not promote a referendum to change the status quo in regard to the question of independence or unification.”³⁶⁰

Among the policy-declarations made by Mr. Chen after his election were:

- Willingness to discuss with Beijing,
- Direct communications,
- Direct trade and investment links,

³⁵⁷ The candidates held the following views on the independence issue:

Chen Shui-bian of the Democratic Progressive Party: He would distance himself from the pro-independence activities of the DPP and ease the ban on direct trade, transport and postal links with the mainland.

Lien Chan, vice president and member of the Kuomintang: Relations between Taipei and Beijing must be state-to-state. Reunification must not have a timetable and easing of the ban on the three links would only be lifted, when Beijing showed good will.

James Soong Chu-yu, former Kuomintang secretary-general and provincial governor, who left the party because of opinions differing from those of Lee Teng-hui to become an independent candidate: The Taiwan state-to-state position should be abandoned. A 30-year non-aggression pact should be made with Beijing and talks begin about direct air and shipping links.

Li Ao, a popular talk show host and candidate for the rightwing New Party: When realising he had no chance himself, he recommended his supporters to vote for Mr. Soong. He appealed for dialogue with Beijing.

Hsu Hsin-liang, former DPP chairman and independent: Independence is no longer a realistic option for Taiwan. Direct links with the mainland should be allowed and dialogue be initiated with the mainland. *South China Morning Post*, 19 March 2000.

³⁵⁸ *South China Morning Post*, 18 March 2000.

³⁵⁹ Fax to the Ministry for Foreign Affairs in Stockholm from the Swedish Trade Council Taipei, 21 March 2000.

³⁶⁰ Chen, Shui-bian (2000) *Inauguration Speech*, Republic of China Government Information Office http://th.gio.gov.tw/pi2000/dow_2.htm, accessed 20 September 2001.

- Military confidence-building measures.

He did not, however, accept the concept of one country, two systems.” Taiwan must never become a second Hong Kong”.³⁶¹

There is no doubt that domestic issues, like KMT corruption and inefficiency shown during the earthquake relief work, as well as increasing criminality and income distribution issues were important for the DPP victory. It was on the other hand also obvious that the attitude to China had been a deciding element for many voters and that no voter could have escaped to take a stand-point in that respect, when voting for a candidate. A record high number of 82 per cent of the voters took part in the elections, a result that gave extra importance to the outcome.³⁶²

Military chief General Tang Yao-ming pledged allegiance in a televised message the following day. “Troops will do their utmost to safeguard the nation’s security”.³⁶³ This statement was important, since it was well known that the military in Taiwan in general opposed the idea of independence.

Willy Wo-Lap Lam in Hong Kong reported a confidential well-placed source in Beijing saying that Beijing was worried about the Chen victory because “it thinks that in the world’s eye, that amounts to a referendum having been held in favour of independence”. Nevertheless, moderate officials wanted to give Mr. Chen a “last chance” while maintaining as a minimum condition for starting talks that Taiwan accept the “one China” principle.³⁶⁴

The official Chinese news agency quoted a statement from the State Council’s Taiwan Affairs Office that the elections would not change the fact that Taiwan is part of China’s territory. Without mentioning Mr. Chen as the new president, it said that Beijing would adopt a wait-and-see attitude.

”We should listen to what the new leader in Taiwan says and watch what he does. We will observe where he will lead cross-strait relations”.³⁶⁵

Changes in Taiwan after the election

The Legislative Yuan ended a 51-year ban on direct commercial, transport and postal links between offshore islands and the mainland, only two days after the election. The only response from Beijing was a Foreign Ministry spokesman saying,

“We need time to listen to what they say and see what they can do”.³⁶⁶

A spokesman for the same ministry warned that China opposed any country that invited Chen Shui-bian for any kind of visit.³⁶⁷

³⁶¹ *South China Morning Post*, 19 March 2000.

³⁶² Fax to the Ministry for Foreign Affairs in Stockholm from the Swedish Trade Council Taipei, 21 March 2000.

³⁶³ *South China Morning Post*, 20 March 2000.

³⁶⁴ *South China Morning Post*, 19 March 2000.

³⁶⁵ *South China Morning Post*, 19 March 2000.

³⁶⁶ *China Daily* 22, March 2000.

³⁶⁷ *China Daily* 24, March 2000.

The KMT had been so badly beaten that its presidential candidate Lien Chan was expected to leave his position. The party president Lee Teng-hui, however, refused to accept Lien Chen's resignation and instead choose to step down himself, together with secretary general Huang Kun-shui and his deputy Huang Cheng-hsiung. Lien Chan became acting party president. The decision was partly a result of angry demonstrations of party members and others, who reacted on Lee Teng-hui's having used his power inside the party to block his opponent in the China relation's issue, James Soong, from becoming the KMT presidential candidate. Lee Teng-hui was, however, hailed by many, including the DPP party headquarters, for his role in democratising Taiwan and remained a popular, albeit controversial personality.

Three days later the DPP and KMT representatives agreed to abolish the National Assembly. That body was technically the highest organ in the Taiwan state structure. It was established in 1947, when KMT still ruled most of the Chinese mainland.³⁶⁸ More and more powers had gradually been deferred to these bodies. After the presidency was made elected by general popular elections, only the power to amend the constitution remained of importance. The members in the National Assembly being up for elections shortly after the presidential elections, both KMT and DPP now wanted to avoid a new election campaign. The KMT was deeply split and confused. The DPP only mastered 70 of the 225 mandates and had to operate a minority government supported by a coalition of several parties in Parliament.³⁶⁹

The top structure of the central administration in Taipei now consists of the presidency, the so-called Executive Yuan headed by the Prime Minister and essentially functioning as a "government", the popularly elected Legislative Yuan, which has the functions of Parliament, and Yuans for Judicial Affairs, Examination and Control, the members of the three latter being appointed by the President, with the consent of the Legislative Yuan.³⁷⁰

A game of prestige between Chen Shui-bian and Jiang Zemin

Chen Shui-bian had taken a cautious attitude to the China relation's issue, but the person he had chosen as his deputy, the Harvard-educated lawyer and prominent feminist Ms Annette Lu Hsiu-lien, continued to make controversial statements, albeit stressing that they had not been authorised by the president. When interviewed by a Hong Kong television station, she rejected Beijing's claims to sovereignty over the island. On the "One China principle" she said that it was the historic product of struggle between the Kuomintang and the Chinese Communist Party. She called the Cairo Declaration – by which Beijing claims that sovereignty over Taiwan was returned from Japan to China – a wartime document that lacked any legal basis.

³⁶⁸ This was a result of a compromise between the KMT and the Communist Party of China, and its task was to draft a constitution for China and elect future heads of state. After a dispute, the Communist party withdrew its participation, but the KMT used the National Assembly to write a new constitution, which is still in force in Taiwan, and to elect the first president, resulting in Chiang Kai-shek's becoming the first president under the new constitution. Because no election could be held in the whole country after the Nationalist Government had been chased from the mainland, the members of the National Assembly prolonged their own mandates until elections could be held and continued to claim to represent all China. This situation continued until 1992, when all surviving members were retired and new elections were held in Taiwan only. According to the traditional Chinese system of governance, almost all powers had been handled by other organs of the state, basically the president the so-called Yuans or branches of Government.

³⁶⁹ *South China Morning Post*, 28 March 2000.

³⁷⁰ *The Republic of China at a Glance* (2001), Taipei, Government Information Office, 2nd edition.

“If the government in Beijing doesn’t keep the Taiwanese people in mind, and does not apologise to the people of Taiwan for ceding Taiwan, then the people of Taiwan cannot accept one China.”³⁷¹ Taiwan should be “only a remote relative and close neighbour of China.”³⁷²

This was taken seriously in Beijing. The Taiwan Affairs Office of the State Council and the Taiwan Work Office of the Chinese Communist Party issued a joint statement. It was unusually strongly worded in its condemnation of opinions expressed in the interview. Ms. Lu had

“Exposed her true hideous face of an extremist and incurable Taiwan’s agitator. She uses poisonous words plotting to incite Taiwan comrades to hate their compatriots on the motherland. In fact, she has become the scum of the nation.”³⁷³

The day after, Chen Shui-bian found it necessary to clarify his own position.

“If the one China principle is defined as Taiwan being a province or local government of the People’s Republic of China, this is not acceptable to the majority of Taiwan people. Our platform says that Taiwan’s independence must be decided by the people of Taiwan. As president-elect, I will not initiate a referendum on Independence. Unless China invades or uses force, we will not declare independence unilaterally.”³⁷⁴

After taking office, Chen Shui-bian also made an appeal for loyalty from the armed forces of Taiwan during the 76th Anniversary of the Whampoa Military Academy, originally based on the mainland. Taipei would never seek to provoke a cross-strait conflict, but Taiwan’s defences needed to be urgently boosted in the face of increasing mainland threats.³⁷⁵

In June he used the first summit meeting between the leaders of North Korea and South Korea as an opportunity to repeat his invitation to president Jiang Zemin to talks.

“If North and South Korea can, why can’t the two sides of the Taiwan Strait?”³⁷⁶

President Jiang Zemin responded. The doors would be open for talks between the two sides across the Taiwan Straits as long as Chen Shui-bian accepts “the One China principle”.

Cross-strait relations in a sour mode – as usual

On the whole, cross strait relations were characterised by traditional bones of contention. Four examples may be mentioned.

In August 2000, Taiwan again made its usual effort before the annual session of the United Nations General Assembly to have its wish for membership included in the agenda. A proposal to that effect was made by eleven states having diplomatic relations with Taiwan (and not with the PRC). The proposal was rejected. It requested the inclusion of the need to

³⁷¹ *South China Morning Post*, 29 March 2000.

³⁷² *The Hong Kong Standard*, 13 April 2000.

³⁷³ *South China Morning Post*, 9 April 2000.

³⁷⁴ *South China Morning Post*, 10 April 2000.

³⁷⁵ *South China Morning Post*, 17 June 2000.

³⁷⁶ *International Herald Tribune*, 21 June 2000.

examine the exceptional international situation pertaining to the Republic of China on Taiwan as a supplementary item in the agenda.³⁷⁷ An article in the *China Daily* reiterated Beijing's usual position.

“Resolution No. 2758, adopted by a majority during the 26th UN General Assembly in 1971, completely resolved the issue concerning the representation of the People's Republic of China in the UN.”³⁷⁸

Diplomatic support in the UN and recognition from a number of states, most of them poor, with a low income per capita, had been supported by development aid from Taiwan, a pattern that had been criticised by the DPP. The KMT had denied any connection. This again became a debated issue in September 2000, when President Chen Shui-bian made a tour to six countries in Latin America and Africa that recognise Taiwan. A spokesman declared before the departure that it was unlikely that any new commitments would be made during the trip. Mr. Chen would not engage in any chequebook diplomacy.³⁷⁹ However, a loan was made to the Dominican Republic, which brought accusations from KMT legislators. Criticism was also heard from Beijing for “using money to buy diplomatic recognition”.³⁸⁰ Half a year later, President Jiang Zemin made a twelve-day tour to six Latin American nations, accompanied among others by the Foreign Commerce and Economic Co-operation Minister Shi Guangsheng. No new development projects were announced, but Jiang stressed China's leading role in assisting the countries of the third world in his speeches.³⁸¹

Media in China continued to criticise Chen Shui-bian for his standpoint in the unification issue. When he mentioned in a speech after his first 100 days in office that he did not regard unification with China as inevitable, he was attacked in a statement by a spokesman for the Taiwan Affairs Office of the State Council. Chen's remarks were

“Very dangerous and cannot but incite alarm among all Chinese people, including Taiwan compatriots.”³⁸²

When the prime minister in Taipei resigned, Taiwan experts in Beijing warned through mass media Chen Shui-bian not to appoint a high-ranking DPP member by name of Chang Chun-hsiung as his successor, because of Mr. Chang's pro-independence sympathies.³⁸³

However, Chen Shui-bian did appoint Mr. Chang as Prime Minister, in spite of these warnings. In its annual defence report two weeks later a threat was made to use drastic force to prevent Taiwanese independence or if Taipei stalled indefinitely on reunification talks. It stated that the PLA was ready to crush separatism on Taiwan.³⁸⁴

³⁷⁷ United Nations General Assembly document A/55/227, 4 August 2000.

³⁷⁸ *China Daily*, 8 August 2000.

³⁷⁹ *South China Morning Post*, 11 August 2000.

³⁸⁰ *South China Morning Post*, 15 August 2000.

³⁸¹ *South China Morning Post*, 8 April 2001.

³⁸² *International Herald Tribune*, 6 September 2000.

³⁸³ *South China Morning Post*, 5 October 2000.

³⁸⁴ *South China Morning Post*, 17 October 2000.

Some new elements appear in cross-strait relations – mostly of a negative kind

A new sense of urgency in Chinese statements demanding reunification negotiations on PRC terms was perhaps the issue that had caused most concern by U.S. and Taiwanese commentators during the last days before the presidential elections in Taiwan. China's Defence Minister Chi Haotian again underscored this urgency when U.S. Secretary of Defense William Cohen paid a visit to China. Chi hoped that the United States would not "send wrong signals" to Taiwan authorities. Reunification was the common wish of all Chinese and resolution of the Taiwan question would not be put off indefinitely.³⁸⁵

Newspapers and journals started mentioning a new trend in Chinese policy toward Taiwanese companies operating in China. Companies maintaining close ties to the Taiwanese Government (that is, to the new DPP administration) were told they would face difficulties. One company was reported to have been subjected to tax, customs, environment and labour inspections because of its chairman's outspoken support for Chen Shui-bian and for the independence of Taiwan. Other companies were only given warnings.³⁸⁶

Harsh words were used at the end of the year 2000 about Chen Shui-bian himself. After the installation as president of Taiwan, Chinese media had been somewhat cautious in their comments about the Taiwanese leader. The attitude had been one of "wait and see". This changed, when an advisory group of experts in December recommended a policy for Taiwan that was not in accordance with the One China principle. Chen Shui-bian accepted the report and in a speech, he talked about the improving prospects in the relations with China. This caused a strong reaction. A spokesman for the Taiwan Affairs Council of the State Council criticised Chen Shui-bian personally for playing with words and denied that there could be any improvement as long as Chen Shui-bian did not accept the one China principle and that the relations between the two sides would go backward.

However, more positive signs were also shown from the mainland side. The Vice-Mayor of Shanghai, Mr. Feng Guoqin visited Taiwan and was quoted as being very satisfied with the reception he had been given. China's vice premier Qian Qichen used conciliatory words about the ruling party of Taiwan and left the door open for talks, albeit insisting on Taiwanese acceptance of the One China principle and even for party contacts with the DPP (under the same condition).³⁸⁷ New regulations were published in China to enable cross-straits trade and facilitate economic co-operation.³⁸⁸

Taiwan squeezed between American and Chinese attitudes on new issues

The installation of George W. Bush in January 2001 as the president of USA was seen in China as complicating relations with Taiwan. In an article in *China Daily* it was said to lead to a deterioration of the security situation in the region.

³⁸⁵ *China Daily*, 13 July 2000.

³⁸⁶ *Far Eastern Economic Review*, 29 June 2000.

³⁸⁷ *South China Morning Post*, 23 January 2001.

³⁸⁸ *China Daily*, 30 January 2001.

If Washington puts Taiwan in the proposed **Theatre Missile Defence System**, not makes clear its Taiwan policy, not reduces weapons export to the island and not shelves its military balance policy, the U.S. might be dragged into military clashes.³⁸⁹

The Taiwan issue was much seen in connection with that of the proposed **American Ballistic Missile Defence System**. It had been debated under the Clinton administration, but George W. Bush had been advocating a faster, larger and more elaborate system. This policy was soon followed up by the new administration. U.S. Defense Secretary Rumsfeld outlined a policy with broad shifts away from Cold War planning for a major war in Europe to a military strategy with increased emphasis toward Asia.³⁹⁰

Signals from Beijing were overwhelmingly negative. In March 2001, China announced that it would **increase the budget for defence by 17.7** per cent, its biggest expansion in real terms in the last 20 years. Foreign Minister Tang Jiaxuan said that if the U.S. side insisted on selling advanced weapons to Taiwan that would send a very wrong signal.³⁹¹ These warnings even came from President Jiang Zemin.³⁹² China's Vice Prime Minister Qian Qichen was not given any assurance in this respect during a visit to President Bush in March 2001, in spite of having asked for it.³⁹³

Events in April and early May 2001 put more strain on U.S.-Chinese relations.

On 1 April a Chinese **fighter plane collided** with an American surveillance plane over the South China Sea, inside the economic zone, which is claimed by China but according to the U.S. interpretation is over international waters. The fighter plane was destroyed, and the surveillance plane had to make an emergency landing on the Chinese island of Hainan. The crew was not allowed to leave until 13 April.³⁹⁴ The release came only after President Bush had warned that the accident "has the potential of undermining our hopes for a fruitful and productive relationship between our two countries".³⁹⁵

International experts on China believed that the incident was used by the PLA to boost its political clout by forcing the face-off with USA over its security role in East Asia.³⁹⁶ Chinese military journals carried nationalistic articles, and nationalistic sentiments were widespread in China.

The strength of the nationalistic sentiments because of the incident was demonstrated by the fact that a "war of hackers" broke out. Chinese hackers defaced a number of U.S. web sites, replacing existing content with pro-Chinese or anti-U.S. rhetoric. U.S.-based hackers defaced web sites in China in retaliation.³⁹⁷

The Chinese interpretation of the **rules of international law** in relation to the place where the collision took place merits attention. The official news agency Xinhua carried an article

³⁸⁹ *China Daily*, 5 January 2001.

³⁹⁰ *Japan Times*, 25 March 2001.

³⁹¹ *International Herald Tribune*, 25 March 2001.

³⁹² *International Herald Tribune*, 23 March 2001.

³⁹³ *Japan Times*, 24 March 2001.

³⁹⁴ *Japan Times*, 14 April, 2001

³⁹⁵ *Japan Times*, 5 April, 2001

³⁹⁶ *South China Morning Post*, 10 April, 2001

³⁹⁷ *South China Morning Post*, 29 April 2001 and 1 May 2001

claiming China's right to regulate the conditions for passage through China's economic zone.³⁹⁸ China is claiming an economic zone, which covers most of the South China Sea and a number of islands contested by other nations in the area. The seriousness of the intention to uphold the interpretation declared in *Beijing Review* and *China Daily* came later in April, when an Australian flotilla of three warships were asked by a PLA ship to leave the Taiwan Strait, because they were "breaching China's sea boundaries". The Australian ships refused to change course and there was no further effort from the side of PLA to stop them.³⁹⁹ As had been done by the U.S. Nimitz aircraft carrier group during the 1995/96 presidential election crises, Australia had shown that it regarded the Taiwan Strait an international strait with no right for China to interfere with peaceful passage.⁴⁰⁰

President Bush decided on 23 April to approve the sale to Taiwan of four Kidd-class destroyers, eight diesel submarines, submarine-hunting aircraft, advanced torpedoes and missiles and to give Taiwan a **technical briefing in the PAC-3 antimissile defence** system under development. This list included almost everything Taiwan had asked for, with the exception of four Aegis-class destroyers with BMD capacity.⁴⁰¹ China expressed serious concern, saying it strongly opposed the sale of sophisticated weapons to the island. "China reserves itself the complete right to take further actions", said Foreign Ministry spokeswoman Zhang Qíyue.⁴⁰²

The arms sale decision was followed by a statement in a television interview by President Bush on 25 April, wherein he confirmed that USA had an obligation to **defend Taiwan, with "whatever it takes"**. The statement was softened later during the same day to "whatever it takes to help Taiwan defend itself", and a spokesman for State Department said, "Our policy hasn't changed today."⁴⁰³ Comments from China were strongly critical.⁴⁰⁴ The director-general of arms-control and disarmament at the Ministry for Foreign Affairs threatened to retaliate by curtailing China's co-operation in the effort to stop the spread of advanced weapons.⁴⁰⁵

While the mainland authorities had been unwilling to deal with the DPP even before the election of Chen Shui-bian as president of Taiwan, there had been some contacts open with the KMT, the explanation being that KMT accepted the principle of One China. This had continued through the first year of Chen Shui-bian's presidency, and under the influence of the new public opinion figures, the KMT in a policy paper published in July 2001 ventured to propose a **confederation** with China as a step toward unification. The proposal was made public in advance of a discussion at a party congress later on. It was immediately opposed by the DPP, because it would leave Taiwan with no negotiating power on its future – "something like a surrender".⁴⁰⁶ A spokesperson for the Chinese Foreign Ministry rejected the proposal already a week later, saying that Beijing maintained its proposal of reunification under the one country, two systems formula. "We are not in favour of a confederate system".⁴⁰⁷

³⁹⁸ *Beijing Review*, 19 April, 2001 and 26 April, 2001 and *China Daily*, 17 April, 2001

³⁹⁹ *South China Morning Post*, 30 April 2001

⁴⁰⁰ Lee, Bernice (1999) *The Security Implications of the New Taiwan*, Adelphi Papers 331, The International Institute for Strategic Studies, London.

⁴⁰¹ CNN News Service, 23 April 2001

⁴⁰² BBC News Service, 24 April 2001

⁴⁰³ Associated Press 25 April 2001

⁴⁰⁴ *China Daily*, 30 April, 2001

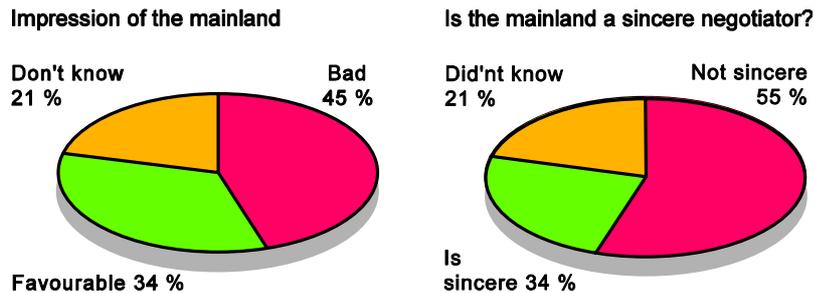
⁴⁰⁵ *South China Morning Post*, 28 April 2001.

⁴⁰⁶ *Japan Times*, 10 July 2001.

⁴⁰⁷ *Japan Times*, 11 July 2001.

A will to negotiate?

The manoeuvring of the political parties and party fractions in the face of the public opinion polls should be seen also against the background of another series of figures. Forty-five per cent of respondents in the same opinion poll said they had a bad impression of the mainland, while 35 per cent had a favourable impression. Fifty-five per cent said they did not believe the mainland was acting sincerely when conducting political negotiations, compared with 24 per cent who held the opposite opinion. This seemed to indicate that a party that could give an impression of not being easy to fool but still was willing to negotiate with the mainland would have the best chances to win the confidence of the voters in the elections.⁴⁰⁸



There seemed to be a potential for negotiations or at least signs of a will to prepare for negotiations. A group of 14 advisers to the president of Taiwan had suggested that the time had come to declare that Taipei is open to a policy of “one China with different interpretations”. In so doing, Taipei could maintain its dignity and position and not be afraid of surrendering. The proposal was made, not seeking to resolve the political dispute but to find the common language that both sides may accept.⁴⁰⁹

China’s response to the Taiwanese opening-up attitude in the bilateral relations was negative. A bulletin by the official news agency Xinhua was carried in news media all over China and declared that Taiwan had to accept the one China principle before any improvement in relations or negotiations could take place.⁴¹⁰

Beijing spells out its position in detail

An advancement of mainland positions was made, when a delegation from the small Taiwanese New Party paid a visit to China and held a meeting with the Communist Party’s Taiwan Affairs Office. They agreed to accept the One China principle and to establish a mechanism for regularised dialogue on cross-strait issues. Vice-Premier Qian Qichen received a delegation from the New Party and the event was hailed as the first party-to-party negotiations between Taiwan and the mainland since 1949 (in spite of the relevant insignificance of this party).⁴¹¹

⁴⁰⁸ *South China Morning Post*, 2 July 2001.

⁴⁰⁹ *Sunday Morning Post*, 22 July 2001.

⁴¹⁰ *China Daily*, 30 August 2001.

⁴¹¹ *South China Morning Post*, 13 July 2001.

It is worthwhile to study in detail what Mr. Qian said. He put forward seven thoughts for implementing the “one country, two systems scheme” for Taiwan’s reunification with the mainland. They did not contain any new element, compared with the “Basic Contents of peaceful reunification; one country, two systems” in the White Book published in 1993 (or Ye Jiangying’s proposal in 1981), but they were spelled out in a more colloquial form. The proposals were said to guarantee that, after reunification:

- Taiwan can continue to use its own currency.
- It can keep its troops.
- It will constitute a separate tariff region.
- It can retain its government apparatus.
- Not one cent will be taken from Taiwan and its capital will not be drawn on.
- Taiwanese people and business can hold on to their property.
- Taiwan will have autonomy in installing officials, and none will be dispatched from the mainland.

China Daily explained further:

“First, the mainland will keep its hands off Taiwan’s finance and monetary politics, and the island will continue to issue its own currency.

Second, Taiwan will still have autonomy in its defence, and the mainland will not send troops to the island. By contrast, the governments of Hong Kong and Macau special administrative regions do not enjoy such rights. Taiwan will enjoy more autonomy.

Third, Taiwan will remain a separate tariff region after reunification. Its status and functions in international organisations such as the World Trade Organisation will not be affected.

Fourth, the mainland will not interfere in Taiwan’s political system unless it violates the one-China principle. Elections on all levels on the island will be held as usual.”⁴¹²

Taipei also spells out its position

Chen Shui-bian was quick to respond to the challenge from the mainland. He made his strongest attack since taking office, condemning Beijing’s offer to reunify under the one country, two systems formula as “outrageous. Taiwan is different from Hong Kong. The people of Taiwan can elect their own president through a democratic process. The Chief executive of Hong Kong needs an imperial order from the Beijing Government, and Beijing can even sack the chief executive at any time”.⁴¹³

The DPP leadership had already issued a ban to all its members, forbidding them to engage in any dialogue with mainland officials in a private capacity (unless having a special permission). It was made in order to forestall Taiwanese participation of a kind that could be interpreted as “official” in a meeting, which was being arranged in Beijing by the Centre for

⁴¹² *China Daily*, 27 July 2001.

⁴¹³ *South China Morning Post*, 30 July 2001. That statement is not entirely correct. There are safeguards securing the position of the Chief Executive according to the Basic Law of the Hong Kong Special Administrative Region (Articles 43-53).

Peace and Development Studies (a think-tank under the PLA) and the Institute of Taiwan Studies under the Chinese Academy of Social Sciences.⁴¹⁴

Taiwan's Role in the Taiwan Strait issue has also been more clearly defined by Dr. Lin Chong-Pin, First Vice Chairman and Spokesman of the Mainland Affairs Council in a speech for the Asian Society. In his perception, Beijing had begun a well-co-ordinated two-pronged campaign on Taiwan, one soft prong aimed at winning the hearts and minds of Taiwanese people, and one hard prong sought to put appropriate pressure on Taipei to accept Beijing's precondition on resumption of cross-strait talks.

Facing increased pressure from Beijing, the new Taipei administration had adopted much continuity in its cross-strait policy from the previous administration, but a number of principles and practices had received greater emphasis:

- We seek a structured and constructive cross-strait relationship. It should be a relationship with regularised communications and institutionalised interactions.
- We hold no preconditions for the resumption of cross-strait talks. Neither do we demand any pre-set agenda for cross-strait consultations."
- We continue to express maximum goodwill."

In the 2001 New Year TV address, President Chen said that both sides of the Strait "are of the same family and the two sides should start with the integration of our economies, trade and culture to gradually build a new framework of permanent peace and political integration".⁴¹⁵

Summing up the years 1997 – 2001

To summarise the development during the years 1997-2001, the issue of a Chinese build up of missiles on the Chinese side of the straits had given the Taiwanese cause for concern and initiated efforts to obtain both U.S. protection and a national ballistic missile defence of Taiwan. The former ruling party of Taiwan, the Kuomintang, had incorporated the former president Lee Teng-hui's theory of relations between states when talking of China and Taiwan, but it had proposed a confederation with China as a preparation for further steps toward full reunification.

Ahead of the presidential elections in Taiwan 2000, Beijing had issued a white paper on the One China Principle and the Taiwan Issue. It included a threat to use force

⁴¹⁴ *South China Morning Post*, 13 July 2001.

⁴¹⁵ He also said

" We exercise absolute restraint on avoiding being seen as provocative."

" We take pro-active approach on promoting socio-economic exchanges across the Taiwan Strait."

He said that the Administration had taken a series of Mainland policy initiatives:

- Granting permission to Mainland journalists for temporary stay in Taiwan;
- Reviewing the major three links between Taiwan island proper and the Chinese mainland, taking account of the forthcoming WTO membership for both sides across the Taiwan Strait;
- Reviewing the cross-strait investment policies;
- Planning to allow Mainland tourists to visit Taiwan;
- Building internal consensus, which included the establishment of the President's Advisory Group on Cross-Strait Relations, led by the Nobel-laureate Dr. Yuan Tseh Lee.

- If Taiwan denies the principle of one China and tries to separate Taiwan from China's territory,
- If Taiwan is invaded by a foreign country,
- If Taiwan refuses peaceful reunification through negotiation.

However, the Foreign Ministry in Beijing had clarified that China would not use nuclear weapons against Taiwan. The leadership in China seemed to be united in its insistence on certain urgency in having the negotiations started before any move on the Taiwanese side toward independence had created irreversible effects. A policy of attacking soon did not seem to get support among the Chinese leaders, and there were signs of potential opposition against real use of force, while the military used the Taiwan issue for getting more budget resources. In spite of harsh words from Beijing during the presidential elections in Taiwan, there was no explicit commitment to really resort to the use of force in any statement by the leadership, only from lower echelons.

Just before being elected, Chen Shui-bian declared his wish to abandon the political party scene and devote his efforts to be a good president for the entire people. He wanted to discuss with Beijing

- Direct communications,
- Direct trade and investment links,
- Military confidence-building measures

But he did not accept the concept of one country, two systems.

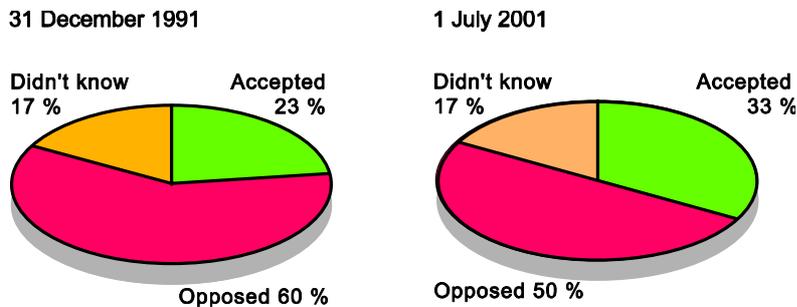
Chen Shui-bian's own party did not command a majority in parliament, and he chose not to rely on a coalition government. The Kuomintang had hoped to nominate the Prime Minister but this did not happen. The fact that 82 per cent took part in the elections made Beijing fear that in the world's eye that amounted to a referendum having been held in favour of independence. In spite of that, the moderate elements of the leadership managed to formulate a policy of damage control, waiting and watching where Chen Shui-bian would lead the cross-straits relations.

The Vice-President of Taiwan represented a more distinct pro-independence attitude in her own political party, which Chen Shui-bian could not avoid completely to consider, when handling the cross-strait issue. However, he had declared that he would not initiate a referendum on independence, nor declares independence unless China should try to invade.

The election of George W. Bush to be the president of the United States was seen as a complicating factor by Beijing because of his stand on the BMD issue and Taiwan's role. The attitude in military matters demonstrated by the new American administration was one factor behind the increase in the military budget of China 2001. The spy plane incident off Hainan, increased weapon sales to Taiwan and President Bush's statement that the United States was prepared to defend Taiwan in case of a Chinese attack, constituted a series of events that in one month made the Taiwan issue a more risky key issue in the relations between USA and China. It might be described as the potentially most dangerous issue.

At the same time as Taiwan's role in the relations between USA and China became more controversial, another trend has worked in the opposite direction. The Taiwanese have warmed somewhat to the repeated overtures from the mainland. One type of attitude that is

very relevant is how the Taiwanese react to Beijing's reunification formula "One country, two systems". The formula has been used for the handovers of Hong Kong and Macau from the United Kingdom and Portugal respectively and then governed day-to-day relations between the central authorities in Beijing and the local administrations in the two "Special Administrative Regions" of Hong Kong and Macau. It has been consistently opposed by Chen Shui-bian as unacceptable to the Taiwanese people. However, a poll made 1 July 2001 showed that a record 33 per cent now support that formula, 10 per cent more than 31 December 1999.⁴¹⁶ About 50 per cent said they could still not accept the formula, ten per cent less than in 1999.⁴¹⁷



The change in the trend of opinions and other factors had led to a split between the political parties and fractions within them, but also to a tendency to unite former elements of the Kuomintang with the ruling DPP party into an alliance before the elections to Parliament in December 2001.

⁴¹⁶ *Japan Times*, 2 July 2001.

⁴¹⁷ *South China Morning Post*, 2 July 2001.

The outcome of the elections to parliament in Taiwan 2001

The elections to Parliament in Taiwan 1 December 2001 resulted in a considerable victory for the DPP and another defeat for the KMT. The latter lost one third of the votes compared to the parliamentary election in 1998 and DPP increased its share by one fourth. The small New Party lost half of its share and independents almost disappeared, while the new Taiwan Solidarity Union, sponsored by former president Lee Teng Hui, won 8,5 per cent.⁴¹⁸

The DPP did not gain a majority of the mandates in parliament, however. As a consequence, President Cheng Shui Bian faced the challenge of finding a new Prime Minister with personal authority, who could recruit prominent personalities from different camps to a coalition government with chances of getting parliamentary support without commanding a majority of its own. He chose his own Secretary General to the President Yu Shyi-kun.⁴¹⁹

The KMT had now lost more prestige and many prominent persons began to leave the party. Possibly in an effort to make the best out of a difficult situation, the KMT declared that it would strive toward unity and the welfare of the people and act in responsible way in parliament, not trying to obstruct the DPP economic policy. (The party had been criticised for doing so during the election year). The KMT secretary-general and director of organisation left their posts, but the party's president Lien Chan remained.⁴²⁰

Taking advantage of KMT's weakness, former president Lee Teng-hui made a move to recruit members of his former party (the KMT) into a new policy-making body called the Taiwan Advocates. It is intended to be an unofficial think-tank and advisory body to President Cheng Shui-bian, who honoured the inauguration with his own presence.⁴²¹ The new forum may function as an excuse for some KMT politicians to offer their services to Cheng Shui-bian without formally leaving KMT.

Cheng Shui-bian acted cautiously after the election victory. He made a speech in which he made several gestures of good will toward Beijing but was "reminded," that actions are needed to accept the one-China principle".⁴²² A little later he made a less conciliatory statement, describing the Chief Executive of Hong Kong as only a puppet of Beijing because the appointment to his post was decided by communist leaders, not the people. He furthermore insisted that the Hong Kong model could not be accepted for application on Taiwan.⁴²³

The higher-ranking officers of Taiwan's defence forces have traditionally belonged to the KMT and Cheng Shui-bian made efforts after the election victory to gain their support. He visited the "Political Warfare College" that he had criticised before and had said he would abolish. At the Political Warfare College, he talked of the "threat from the mainland" and wished to see the college persist in its activities and he praised the armed forces for

⁴¹⁸ <http://taipeitimes.com/news>, accessed 24 January 2002.

⁴¹⁹ Ibidem.

⁴²⁰ *South China Morning Post*, 3 December 2001.

⁴²¹ *South China Morning Post*, 4 December 2001.

⁴²² *China Daily*, 7 December 2001.

⁴²³ *South China Morning Post*, 11 December 2001.

abandoning their links to the KMT. The Chief of the general Staff General Tang Yao-ming, who was a long-standing member of the KMT, was asked to become Minister of National Defense. In his case, the President personally exerted influence on the Prime Minister to make the offer to General Tang, who in his turn accepted it, in spite of having to face the consequence of being expelled from the KMT.⁴²⁴ A number of the high-ranking officers, of whom several were known for KMT-sympathies, were also removed by the president in a reorganisation that also introduced two posts as military advisors to the president himself.⁴²⁵

While these efforts were made to consolidate the "final" change of power from the KMT to the DPP, the Prime Minister took a long time to consolidate a government that would have the professional background for a new economic policy. A successful new economic policy was important in order to stop the negative trend in the Taiwanese economy that had been plaguing the island since more than a year ago. The stock market now welcomed the choice of Yu Shui-kun⁴²⁶ as he made an obvious effort to establish a team of competent professionals from all fields and from different political camps. He included both former KMT-members and members of the New Party.

The whole picture of Taiwan after the 1 December 2001 began to look like a consolidation of a new power-holder. Signals from Beijing began to indicate that the change had been taken seriously. There was a possible reopening of negotiations, when at the end of January 2001 China's vice premier Qian Qichen extended a welcome to DPP members to visit Beijing. He said that

"We would welcome their visit to the mainland in an appropriate capacity, in a bid to promote mutual understanding."⁴²⁷

The response from Taiwan was cautiously positive. The Mainland Affairs Office said that it needed more time before commenting but that it took the offer seriously.⁴²⁸ This is the first time that Beijing has said that it wishes to open talks with the DPP. It may have marked the beginning of a very important new development.

Conclusions

The Taiwan issue is seen as more urgent by China's leaders since the handovers of Hong Kong and Macau from the United Kingdom and Portugal respectively. This is complicated by the fact that Taiwanese tend to have a strong feeling of separateness, due to never having been treated as equals and real Chinese during the rule of the Ching dynasty, having created the first republic of China in resistance against the Japanese, having had economic success and reached a high level of development, having overcome ethnic differences between the population elements and integrated them into one society, and maintaining older values and Chinese traditions, especially in contrast to the Cultural Revolution in China.

⁴²⁴ <http://taipeitimes.com/news>, accessed 24 January 2002.

⁴²⁵ Ibidem.

⁴²⁶ Ibidem.

⁴²⁷ <http://www1.chinadaily.com.cn/news/index..html>, accessed 25 January 2002.

⁴²⁸ <http://taipeitimes.com/news>, accessed 25 January 2002.

Yet the Taiwanese have not become estranged from China and many maintain a feeling of being both Taiwanese and Chinese at the same time, many harbour strong feelings for Chinese culture and strong popular movements have basically aimed at unification since the time of the Ching dynasty, under the Japanese occupation and during the whole post-war era.

There are many elements favouring a development toward a peaceful reunification, inter alia restraint in reaction on both side of the straits, widespread sympathies for unification on both sides of the strait and the fact that trade and investments increase in both directions, albeit stronger from Taiwan to China.

However, there are also elements working in the opposite direction, toward separation. Military technology developments, like the Ballistic Missile Defense and information warfare, tend to underscore block building, and Taiwan is always on the other side from China in these processes. Nationalism is increasing in China. Separatism in Taiwan may or may not increase; today it seems to increase.

Taiwan's strategic role is seen in different ways by its neighbours. To China, Taiwan and its outlying islands constitute an enclave of foreign influence lying so close that they represent a strategic danger and a challenge to national pride. To USA, Taiwan is a trusted ally with a great deal of emotional support, a possible asset in the forward defence of the Pacific Ocean and at the same time a liability as a client, who has to be protected from Chinese attacks. To Japan and South Korea, Taiwan is a guarantee for safe sea-lanes and continued American presence in the area. To both nations, a U.S. withdrawal of protection of Taiwan would mean a need to rethink vital elements of the security policy, like the option of nuclear armament etc.

The Taiwan issue raises some questions for the future:

- What will be the development of Chinese and Taiwanese economic and military strengths in the future?
- Would Taiwan be able to defend itself alone?
- Will support from USA continue to be dependable?

CHAPTER THREE: Can Taiwan manage on its own?

Using American weapons

Can Taiwan manage on its own? This question may be seen as distinct from the follow-on-question as to whether China will actually use force to take Taiwan. Does Taiwan have the resources and the will it takes to continue resisting China?

Seen as a short-term question, the answer to the question of resources seems to be clear enough. Admiral Dennis C. Blair, U.S. Navy Commander in Chief U.S. Pacific Command (CINCPAC) made the following summarising statement before the House Foreign Relations Committee of the U.S. Congress in March 2000:

“The Taiwan military also made significant changes during the last year. The Taiwan Air Force increased its combat aircraft and surface-to-air missile inventories. Once assimilated, these systems should improve the island’s air-to-air defence capabilities. The acquisition of two Knox-class frigates and the commissioning of additional coastal patrol boats should also improve future naval capabilities.

These changes in PLA and Taiwan military forces did not significantly alter the balance of power across the Taiwan Strait. Taiwan’s military maintains a qualitative edge over the PLA, and its combat capabilities should improve steadily over time as it incorporates new weapons into its war fighting doctrine and training. The PLA still lacks the capabilities to invade and control Taiwan. It maintains a quantitative edge in all branches of service, but does not have an adequate power projection capability to quickly overcome Taiwan’s more modern air force and inherent geographical advantages, which favour the defence. It does, however, have the ability to inflict significant damage to Taiwan with its military forces.

We expect China to accelerate its pace of military modernisation somewhat by increasing the PLA budget over the next several years. However, this will not decisively alter the military situation across the Strait within that time”.⁴²⁹

The U.S. Congress did, however, harbour some doubts and sent a special evaluation mission to Taiwan in the following year.⁴³⁰ It said about the PRC threat to Taiwan:

A 1999 Pentagon report to Congress stated that this build-up, combined with China’s short-range missile deployment opposite Taiwan (which press reports indicate will number 600-800 by 2005) will give the PRC, by 2005, the ability to attack and degrade Taiwan’s key military facilities and damage its economic infrastructure. Furthermore, the report concludes that by 2005, the PRC will possess the ability to gain air superiority over Taiwan and will “retain” its ability to effect a naval blockade of Taiwan. These developments represent a shift in the balance of power away from Taiwan and toward Beijing in the coming years, should current trends continue.

⁴²⁹ Blair, Dennis C. (2000) *Statement before the House International Relations Committee Subcommittee on Asia and the Pacific*,

http://www.house.gov/international_relations/ap/ap/ussecur/blair.htm, accessed 21 September 2001.

⁴³⁰ *U.S. Defense Policy toward Taiwan: in need of an overhaul. A staff report to the Committee on Foreign Relations United States Senate One Hundred Seventh First Session April 2001*,

http://frwebgate.access.gpo.gov/cgi?dbname=107_cong.senate=f:71658.wais, accessed 21 September 2001.

The result of the evaluations during the annual process according to the Taiwan Relations Act in 2001 led to a substantial increase in the quality and quantity of the weapon sales permitted to Taiwan. President Bush decided on 23 April to approve the sale to Taiwan of four Kidd-class destroyers, eight diesel submarines, sub-hunting aircraft, advanced torpedoes and missiles and to give Taiwan a technical briefing on the Patriot (PAC-3) antimissile defence system under development. This list included almost everything Taiwan had asked for, with the exception of four Aegis-class destroyers with Ballistic Missile Defence capacity.⁴³¹

It is worthwhile to study the type of attack that China is most likely to make. Is it most likely to be a full-scale invasion across the strait? There is much speculation about this. In a Brookings publication, Michael O’Hanlon scrutinises the arguments within the American administration. He quotes a Defense Department report stating that the PLA would face great difficulty to conduct a multi-faceted campaign by 2005, but that the campaign would be likely to succeed, barring third party intervention. He also quotes the Director of the Defense Intelligence Agency as being sceptical of this conclusion. China would not be able to carry out an invasion in many years yet. O’Hanlon then goes through a number of arguments and draws the conclusion that a much more likely course of action would be for China to start a naval blockade of Taiwan⁴³². In that case Taiwan might need U.S. help to break the blockade.⁴³³ There is, of course, no way of knowing whether the Chinese leadership shares these assessments and if, so, whether they draw the same conclusions. However, the April decision by the President Bush about the annual weapons sale authorisation 2001 was clearly designed to increase Taiwan’s capability to defend itself against a naval blockade.

The weapon sales decision caused indignant commentaries from Beijing and some concern in Japan. Japan’s Defense Agency, in its White Paper on Defense 2001 (approved by the cabinet) believed that the intensifying arms race between China and Taiwan could destabilise the region. It pointed out that China is expanding its armed forces rapidly and was planning to boost military spending in the current fiscal year, officially by 17 per cent more than in the previous budget. It noted that there was a probability remaining that the Aegis guided-missile destroyers also would be included in the near future.⁴³⁴

The worries of Taiwan’s military were not over with the U.S. decision on weapon sales. The first problem to arise was the submarine purchase. USA is not producing any diesel submarines at present, so the authorisation to sell them did not mean much in itself. It was said that the intention had been to buy from Europe, reequip them with American technology and then resell them to Taiwan, but both Germany and Holland declared that they would not take part in any deal leading to submarines or technology for building them being sold to Taiwan. This has led to speculations in Taiwan about the possibility to build them at a domestic shipyard with American technology, which would take considerable time.⁴³⁵ According to press reports, a meeting has taken place in Washington in November

⁴³¹ *CNN News Service*, 23 April 2001.

⁴³² O’Hanlon tries to summarise the arguments for and against different options that China can have available to threaten Taiwan with military means. He discusses what China would need for an invasion and finds that China lacks what is needed for fast air superiority, air transport means for taking an airfield or amphibious capability to carry an invasion army across the strait or missiles with enough accuracy to be sufficiently effective to subdue the Taiwanese defence. He finds that China’s most promising way to threaten Taiwan militarily over the next decade is with a blockade using its submarine force in order to coerce Taiwan into accepting Beijing’s terms.

⁴³³ O’Hanlon, Michael E. (2001) *Defense Policy Choices for the Bush Administration 2001-2005*, Washington D.C., Brookings Institution, p.177-178.

⁴³⁴ *The Nikkei Weekly*, 9 July 2001.

⁴³⁵ *Defense News*, 27 August-2 September 2001, *Taipei Times*, 31 August 2001

2001 between six U.S. shipbuilding companies and the Taiwanese China Shipbuilding to discuss plans to construct the eight diesel submarines for the Taiwanese Navy for delivery in 2010 – at a price approximately around USD 3 billion.⁴³⁶

The second problem was the Kidd-class destroyers. Taiwan was mainly supposed to accept to buy them instead of the Aegis-class destroyers, because it needed a modern, sea-based air-defence system. USA was supposed to provide them with a complete refurbishing, including modern air-defence equipment. Taiwanese lawmakers were reluctant, however, to release the necessary funding. They were not sure that the weapons systems contained in these ships were worth the money. They were originally built for Iran in the 1970s and decommissioned by the U.S. Navy in 1998 after have been unsuccessfully offered to the Greek and Australian navies. The 2001 military budget did not include funding the purchase of the Kidd-class destroyers, only building a base in eastern Taiwan for Hsiung feng II anti-ship missiles. The Navy was funded for completing an analysis and assessment of Kidd-class destroyer weapon system.⁴³⁷

Using domestic resources

So far, Taiwan has depended completely on American technology for its more advanced weapons. However, rumours are circulating on the island about efforts to create the option of domestic production of missiles. Foremost of these rumoured initiatives is development of the Hsiung Feng II anti-ship-missile, with a range of 500 to 600 kilometres. It is built with American technology, but the Chungshan Institute of Science & Technology has begun a development program with the code-name Hsiung Feng IIE. Foreign specialists have spread the rumour that this is going to be a ship-based cruise missile, which has been denied by Taiwan's Ministry of Defense.⁴³⁸

One speculation made this news item more interesting. It was the speculation that the possible cruise missile could be launched from submarines to respond to or pre-empt a missile attack from China.⁴³⁹

Taiwan had published the planned launching of its first space-rocket in mid-September 2001. The project was undertaken by the same Chungshan Institute of Science and Technology that had been developing the new version of the Hsiung FengII missile and in co-operation with Taiwan's National Science Council, National Central University and Clemson University in South Carolina in USA. The rocket was planned to explore the outer reaches of the atmosphere.⁴⁴⁰ Simultaneously, it was reported from Israel that representatives of Taiwan had tried to contact Israeli aerospace research and development agencies for possible co-operation with military applications, but has been denied access because of Israel's ongoing co-operation with China. "Israel will not do anything intentionally to antagonise China". An interviewed Taiwanese official admitted that such efforts had been initiated.⁴⁴¹

Efforts to build missiles could mean efforts to create an independent capability that would function even if USA would not interfere on the side of Taiwan in case of a massive attack

⁴³⁶ Taiwan Security Research, <http://taiwansecurity.org/AFP/2001/AFP-111901.html>, accessed 22 November 2001.

⁴³⁷ *Defense News*, 20-26 August 2001, *Taipei Times*, 3 September 2001.

⁴³⁸ *Taipei Times*, 2 July 2001.

⁴³⁹ *Taipei Times*, 4 September 2001.

⁴⁴⁰ *South China Morning Post*, 22 August 2001.

⁴⁴¹ *Defense News*, 20-26 August 2001.

from China. More important, it would mean a shift of strategy from exclusively defensive to include the option of retaliation on the mainland to Chinese missile attacks.

Whether Taiwanese public opinion would be in agreement is not clear. A majority accepts the idea of protection with American missile defence, according to opinion polls in 1999.⁴⁴² However, to develop weapons of retaliation, possibly even with mass destruction capability, is a completely different matter – and it would be very expensive. It is certainly not an option that is likely to be contemplated unless there are severe doubts about future American willingness to support Taiwan.

How far will USA support Taiwan?

In the short term, there seems to be a clear American will to continue supporting Taiwan with weapons and technology. As previously stated, President Bush has said that America is prepared to do “whatever it takes to help Taiwan defend itself”.⁴⁴³ The Chairman of the Subcommittee on East Asia and the Pacific of the U.S. House of Representatives said in an opening statement on 25 April 2001 that

“as far as arms sales to Taiwan are concerned, I am confident Congress will support the Administration’s decision yesterday on this subject. Taiwan remains a dangerous flashpoint with important consequences for Sino-American relations and the region”.⁴⁴⁴

The Chairman also said, however, that

“Taiwan is most likely to be able to maintain the capacity to determine “de facto” its own destiny only as long as it does not provoke China with a claim of “de jure” independence. Accordingly, the U.S. should be extremely wary of giving succour to pro-independence sentiment on the island”.⁴⁴⁵

This reflects a concern that gives many Taiwanese a gnawing feeling of discomfort about the future of de facto independence. China is an important partner to USA, and supporting Taiwan is at times expensive for America, both in financial terms and terms of American interests in China.

Taiwan finds it costly

To maintain a defence strong enough to deter China from attacking is expensive for Taiwan, and that leads to the question of Taiwanese will to defend itself. Defence costs are growing, as China invests more in offensive capabilities. Taiwan’s economy has been doing extremely well during the last decades of the 20th century – even during the so-called Asia-crisis that affected almost all countries in Asia -, but the growth has finally started to slow down. Declining export and domestic demand have pulled the inflation-adjusted GDP down from

⁴⁴² *The Hong Kong Standard*, 29 April 1999.

⁴⁴³ *Associated Press*, 25 April 2001

⁴⁴⁴ Opening Statement, Representative James A. Leach, Chairman, Subcommittee on East Asia and the Pacific, After Hainan: Next step in U.S.-China Relations, 25 April 2001

⁴⁴⁵ Opening Statement, Representative James A. Leach, Chairman, Subcommittee on East Asia and the Pacific, After Hainan: Next step in U.S.-China Relations, 25 April 2001.

5.86 per cent in 2000 to 0.37 per cent in 2001 and unemployment to the all-time post-occupation high of 4.92 per cent. There is agreement among experts that reforms are needed to revitalise the economy.⁴⁴⁶

Meanwhile, China's economy seems to continue to grow almost as fast as during the last decade, i.e. with close to 8 per cent annually. (According to official statistics, there are indications that reality may be somewhat different and that the Chinese economy is experiencing certain problems, albeit not of the same dimensions as the industrialised countries in the "West").⁴⁴⁷ The slow-down in the world economy has had some effects on the Chinese economy as well, but China's growth seems to continue reasonably well for the time being. This can change the military balance in the future, should the trend continue. More importantly, China's economy has grown so much bigger that even a slow growth rate would leave room for more investments in weaponry than Taiwan can be foreseen to be able to spend on its own defence.

China has been quick to take advantage of this switch in relative growths in strength. The Taiwanese economy has been ridiculed in the propaganda and Chinese military exercises have been held outside Taiwan. All this has led to pressure from business circles in Taiwan on the president to loosen the restrictions for trade with China and, more importantly, direct investments in China. Chen Shui-bian has given the impression of having been thinking in the same direction. At least, he lauded and decided to accept a recommendation from the Economic Development Council that direct cross strait shipping, post, trade and air-links with China shall be opened as well as to abrogate the prohibition to make direct investments on the mainland greater than USD 50 million. The long-standing "go slow, be patient-policy" has been replaced by a plan called "active opening, effective management".⁴⁴⁸

There was no unanimity in Taiwan about this change of policy. Vice-President Annette Lu, well known for her pro-independence sympathies, made public vehement statements of opposition, but her influence had declined rapidly during the last year, and her views were not believed to be of much importance for the implementation of the decision.⁴⁴⁹

Pulling Taiwan's forces together

In the face of the mainland successes in efforts to split the positions of the political parties an inter-party effort has been made to pull together the Taiwanese positions.

The former president of the KMT, Mr. Lee Teng-hui, has started to organise parliamentarians of his own party to support the DPP policy, in contradiction to the mellowing attitude of his own party mainstream. He came out in support of a new-founded political party, the Taiwan Solidarity Union, which both advocates Lee's two-states theory and plans to narrow the gap between the pro-independence and pro-unification camps. It described itself as a potential partner to president Chen Shui-bian's DPP, which did not command a majority in Parliament.

The intentions of this group, which consisted of about 35 MPs, were to support Chen Shui-bian's party in the elections for Parliament (meaning Taiwan's Legislative Yuan), which were

⁴⁴⁶ *South China Morning Post*, 26 August 2001.

⁴⁴⁷ *South China Morning Post*, 18 July 2001.

⁴⁴⁸ *Japan Times*, 27 August 2001.

⁴⁴⁹ *South China Morning Post*, 17 August 2001.

going to take place in December 2001.⁴⁵⁰ Lee Teng-hui's own party, the Kuomintang, decided not to expel him immediately.⁴⁵¹ It was done a few months later.

A reinforced government seems to emerge in Taiwan, which is in reasonable accordance with a majority of the voters and that refuses to accept the one China principle but wishes strongly to continue improvement in relations with the mainland. However, there are limitations to the resources, which that Government can be willing to dedicate to defence. The relative military strength in the long-term perspective is likely to develop in a direction, which goes in China's favour. This causes an intellectual dilemma to many Taiwanese.

In an interview with *Washington Times*, Chen Shui-bian said that he hoped that the United States and Taiwan could jointly develop a missile system to counter the missile threat from China. He also wanted Taiwan to take part in a U.S. Theatre Missile Defence for the Western Pacific and conduct joint military exercises with American forces. A military alliance would be difficult to achieve, but military exchange and co-operation had significant potential. This was naturally criticised in the mainland press.⁴⁵²

A legislator of the DPP, Dr. Shen Fu-hsiung, who was interviewed by the author in June 2001 (and declared that he accepted to be quoted), admitted that when it comes to arms acquisitions, USA would have to step in. Real independence in that respect is impossible. A missile defence to deter would have to be introduced, but only under and in the U.S. system, but not officially, only in co-ordination. In the worst-case scenario, when and if USA some time in the future would not interfere and Taiwan was under severe attack from China, Taiwan would have to surrender.

“Taiwan can not go on meeting China's growing military threat alone”.

Dr Shen admitted that he did not represent the majority of his party in these remarks. His is only one opinion. The emerging common policy orientation seems to be more independent-minded and more sanguine, at least on the surface, but the defence issue is still under definition.

⁴⁵⁰ *China Daily*, 27 July and 30 July 2001.

⁴⁵¹ *South China Morning Post*, 13 August and 27 August 2001.

⁴⁵² *China Daily*, 27 July 2001.

CHAPTER FOUR: China, Taiwan and the South China sea-how dangerous waters?

History and Importance

The South China Sea lies south of Taiwan, and it is of vital importance to the surrounding countries because of its resources of oil, gas and fish, but also because it is the channel through which they get their supplies of raw materials and send their export products to their customers. The rest of the world depends on a regular supply of electronic and other products from Asia and the export markets in East Asia are necessary for their economies. Stabilised transportation through these waters is a prerequisite for a continuation of world trade of present proportions. At stake is also strategic control over the free passage of foreign warships and military aircraft.

The South China Sea is usually defined as encompassing a proportion of the Pacific Ocean stretching roughly from Singapore and the Strait of Malacca in the southwest to the strait of Taiwan in the northeast. The area includes more than 200 small islands, rocks and reefs used to bolster claims to the surrounding sea and its resources.⁴⁵³ The most contested areas are found around the Paracel Islands, not far from the Chinese island of Hainan and the Spratly Islands, close to the Philippines and Indonesia. Other contested islands and reefs are the Pratas Islands, Macclesfield Bank and Scarborough Reef.⁴⁵⁴

Up to 17 per cent of the world's remaining recoverable crude oil is believed to be deposited under the South China Sea.⁴⁵⁵ Over the next 20 years, oil consumption in 11 developing East Asian countries (excluding India) is expected to rise by almost 3 per cent annually on average, with almost half of this increase coming from China. Almost all of this demand, as well as Japan's oil needs, will need to be imported from the Middle East and Africa, through the South China Sea.

Natural gas may be the most abundant hydrocarbon resource in the South China Sea. The U.S. Geological Survey and others indicate that about 60-70 per cent of the region's hydrocarbon resources are gas. Natural gas usage among developing Asian countries (excluding India) is expected to rise by over 7 per cent annually over the next two decades, with almost half of this increase coming from China.⁴⁵⁶

Expectations about the amounts available in the South China Sea are known to be higher in China than in other countries, both regarding oil and gas.⁴⁵⁷ This may explain why the

⁴⁵³ *The South China Sea Region* (2001) United States Energy Information Administration, www.eia.doe.gov, accessed 21 August 2001.

⁴⁵⁴ Tien, Hung-mao and Cheng, Tun-jen (2000) *The Security Environment in the Asia-Pacific*, New York, M.E. Sharpe, p.262.

⁴⁵⁵ Tien, Hung-mao and Cheng, Tun-jen (2000) *The Security Environment in the Asia-Pacific*, New York, M.E. Sharpe, p.261.

⁴⁵⁶ *South China Sea Region* (2001) United States Energy Information Administration, www.eia.doe.gov, accessed 21 August 2001.

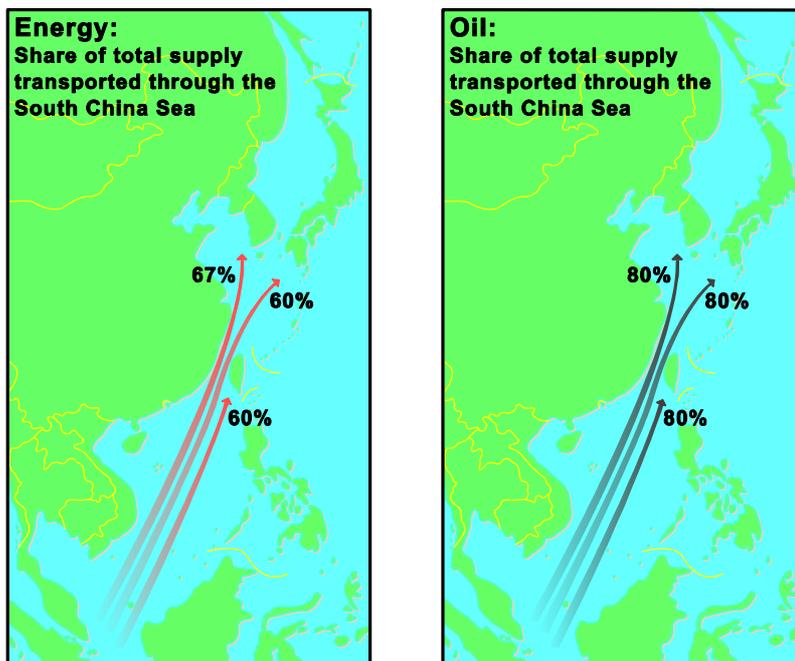
⁴⁵⁷ Tien, Hung-mao and Cheng, Tun-jen (2000) *The Security Environment in the Asia-Pacific*, New York, M.E. Sharpe, p. 278.

Chinese leaders have showed a somewhat more nervous attitude to the problem of competing claims during the last decades.

All surrounding countries are increasingly dependant on other sources of nutrition than those that can be produced by their own agriculture. China's rising demand for food is especially appalling. According to some calculations, the point in time when agriculture cannot produce enough food for the Chinese people may come as early as in 2020.⁴⁵⁸ Fishing rights are already being taken very seriously. Competition over fishing waters is increasing correspondingly. China has taken some unilateral actions to protect parts of the South China Sea from over fishing that has been contested by the fishing fleets of other surrounding nations.

More than half of the world's merchant fleet tonnage passes annually through the Straits of Malacca, Sunda, and Lombok, with the majority continuing into the South China Sea. Almost all shipping that passes through the Malacca and Sunda Straits must pass near the contested Spratly Islands.

The most important cargoes are crude oil and liquefied natural gas. Rising oil demand is expected to almost double these flows over the next two decades.⁴⁵⁹ More than 80 per cent of the crude oil supplies for Japan, South Korea and Taiwan flow through the South China Sea from the Middle East, Africa and South China Sea nations such as Indonesia and Malaysia. Also LNG (Liquefied Natural Gas) is shipped through this route. About two thirds of South Korean energy supplies, and almost 60 per cent of Japan's and Taiwan's energy supplies flow through the South China Sea.⁴⁶⁰



⁴⁵⁸ Kane, Thomas M. And Serewicz, Lawrence W., *China's Hunger: The Consequences of a Rising Demand for Food and Energy*, <http://carlisle-www.army.mil/usawc/Parameters/01autumn/Kane.html>, accessed 3 September 2001.

⁴⁵⁹ Studeman, Michael (1998) *Calculating China's Advances in the South China Sea Identifying the triggers of "Expansionism"* U.S. Naval War College, www.nwc.navy.mil/press/Review/1998/spring/art.sp8.htm, accessed 21 August 2001.

⁴⁶⁰ *South China Sea Region* (2001) United States Energy Information Administration, www.eia.doe.gov, accessed 21 August 2001.

The strategic value of these islands is obvious. As Duk-ki Kim has pointed out in his study on naval strategy in Northeast Asia, “these territorial fragments were long ignored and virtually uninhabitable except for use by the Japanese as submarine bases during the Pacific War.” Potential strategic uses for the more developed islands in the Spratlys today include bases for sea-line interdiction, surveillance and possible launching points for further attacks. Occupation and control of the Spratlys could influence the flow of traffic from the Straits of Malacca to the Taiwan Strait and from Singapore to southern China and Taiwan.⁴⁶¹

A historic perspective is necessarily meagre. As was found by a study group on the history of the British and French policies 1930-56, focusing on the Paracel and Spratly Islands, the men on the spot in the South China Sea

“Tended to exaggerate the strategic and economic value of the two island groups. Whenever a detached study was made, both the economic and strategic value of the islands was deemed to be negligible. Second, the tendency to exaggerate the value of the islands increased when France and Britain felt under threat from other, hostile powers”.⁴⁶²

This was before the industrialisation of Asia, before the increase in import of oil and gas to East Asia and before the discovery of the oil and gas deposits in the South China Sea. France legally incorporated the Paracel and Spratly islands into South Vietnamese territory between 1933 and 1939. With the exception of the Spratly Islands, which were partly occupied by Japanese forces in 1939, French and later Vietnamese troops controlled most of the islands until the end of the Second World War, when Japanese troops were occasionally in control also in other parts of the South China Sea. Retreating Nationalist Chinese troops took over the Spratly Islands and chased away some Filipino settlers, as well as the Pratas Islet, and in 1950, part of the Paracel Islands were taken over by troops of the People’s Republic of China.⁴⁶³

After the war, Chinese fishermen began setting up shelters in the Paracel islands in 1955, and Taiwan set up a garrison on the largest of the islands in the Spratly Group, the Itu Aba, in 1956. It has remained there until today.⁴⁶⁴ China has not challenged Taiwan’s force in the Spratlys.⁴⁶⁵ According to customary international law, the occupation of the largest island in the Spratly group entitled China to *en toto* ownership of the archipelago (Taiwan was then claiming to represent all of China), but this was soon challenged. Other neighbouring nations saw their opportunity, when China was embroiled in the Cultural Revolution and unable to spare much attention to other than domestic issues. (China at the time also did not have the technical resources for exploring and drilling for oil in the seabed). Vietnam and the Philippines both began to occupy and bolster defences on the other larger islands in the Spratlys. By 1973, each had occupied six.⁴⁶⁶

⁴⁶¹ Kim, Duk-ki (2000) *Naval Strategy in Northeast Asia*, London, Frank Cass Publisher, p.69.

⁴⁶² Tønneson, Stein (2000) *The South China Sea in the age of European decline, 1930-1956*, The Oslo Conference on Human and regional Security around the South China Sea, 2-4 June 2000, www.sum.uio.no/southchinasea/, accessed 21 August 2001.

⁴⁶³ Tien, Hung-mao and Cheng, Tun-jen (2000) *The Security Environment in the Asia-Pacific*, New York, M.E. Sharpe, p. 262.

⁴⁶⁴ Kim, Duk-ki (2000) *Naval Strategy in Northeast Asia*, London, Frank Cass Publisher, p. 66.

⁴⁶⁵ Kim, Duk-ki (2000) *Naval Strategy in Northeast Asia*, London, Frank Cass Publisher, p. 65.

⁴⁶⁶ Studeman, Michael (1998) *Calculating China's Advances in the South China Sea Identifying the triggers of "Expansionism"* U.S. Naval War College, www.nwc.navy.mil/press/Review/1998/spring/art.sp8.htm, accessed 21 August 2001.

A UN seismic study in Asian waters in 1968 had revealed possible oil deposits. It was followed by other national studies by most of the Southeast Asian nations. Oil was discovered in 1976 at Reed Bank in the Spratlys, and the Philippines began production there, followed by Indonesia and Malaysia in other parts of the South China Sea.⁴⁶⁷ Today, up to 65 islets, reefs and rocks in the South China Sea are occupied by military troops flying different national flags.⁴⁶⁸

The Southeast Asian nations used American companies for their offshore projects, because they wished to internationalise their projects and because they needed technology, which had to be involved and which they did not possess themselves. The Philippines gave concessions to AMOCO already in 1970 on the Reed Bank.⁴⁶⁹

What made China wake up from its period of lack of interest in the South China Sea was the development in the field of International Law. The new principles of Economic Zones and the way they were calculated gave China a new possibility to lay claims on vast areas of the South China Sea. It was reinforced by the fact that China's energy needs began to outgrow what could possibly be produced on the Chinese mainland. Activities by other nations in areas where China had previously been present in vague forms suddenly got an increased importance – and were perceived as a threat.

Southeast Asian successes in offshore development and a decline in China's domestic oil production became evident in the beginning of the 1970s. In the following decade, it was clear that although China could sustain its 1986 oil production level through at least 2020, the expanding consumption requirements of the Chinese economy would oblige it to begin importing oil within a decade. Other factors contributed to the switch of focus as well. China faced declining amounts of cultivable land (due to soil salinity and falling water tables, erosion and desertification) but its population was growing steadily. The nation would become increasingly dependent on alternative sources of food. As early as in 1984, a high government official stated that China's population would increasingly require the protein supplied by fish. These factors were at hand already during the previous decade, when the United Nations Convention on the Law of the Sea (UNCLOS) was being elaborated.⁴⁷⁰

China committed its first act-of-war-like action in 1974, when the PLA in “a brief but decisive battle took over part of the Paracel Islands and subsequently acquired control over the islands, despite long-standing claims of Vietnam and Taiwan.⁴⁷¹ The operation was carried out in accordance with a “Declaration on China's Territorial Sea” from 1958.

⁴⁶⁷ Ibidem.

⁴⁶⁸ Tien, Hung-mao and Cheng, Tun-jen (2000) *The Security Environment in the Asia-Pacific*, New York, M.E. Sharpe, p.268.

⁴⁶⁹ Tien, Hung-mao and Cheng, Tun-jen (2000) *The Security Environment in the Asia-Pacific*, New York, M.E. Sharpe, p.282

⁴⁷⁰ Ibidem.

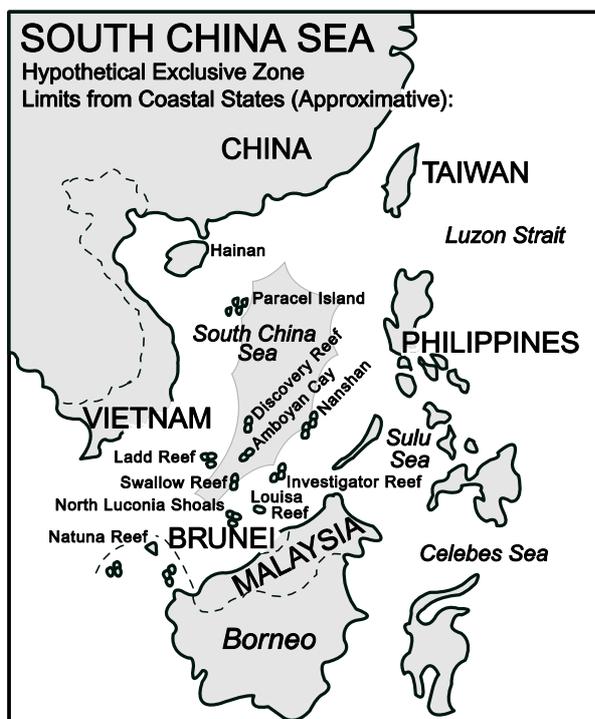
⁴⁷¹ Tien, Hung-mao and Cheng, Tun-jen (2000) *The Security Environment in the Asia-Pacific*, New York, M.E. Sharpe, p.263.

Issues in International Law

Six years later, in 1982, the UNCLOS was signed by all states with claims in the Spratly area, with the exception of Taiwan. It had already then ceased to be a member of the UN, but it has unilaterally declared that it will abide by the UNCLOS rules.

The United States Energy Information Administration defines the guidelines in the UNCLOS that are most relevant to the South China Sea as follows:

1. Article 3, which establishes that “every state has the right to establish the breadth of its territorial sea up to a limit not exceeding 12 nautical miles”:
2. Articles 55-57 define the concept of an Exclusive Economic Zone (EEZ), which is an area up to 200 nautical miles beyond and adjacent to the territorial sea. The EEZ gives coastal states “sovereign rights for the purpose of exploring and exploiting, conserving and managing the natural resources, whether living or non-living, of the waters superjacent to”(above)”the seabed and its subsoil”.
3. Article 76 defines the continental shelf of a nation, which “comprises the seabed and subsoil of the submarine areas that extend beyond its territorial sea throughout the natural prolongation of its land territory to the outer edge of the continental margin, or to a distance of 200 nautical miles “This is important because Article 77 allows each nation to exercise control“over the continental shelf sovereign rights for the purpose of exploring it and exploiting its natural resources.
4. Article 121, which states that rocks that cannot sustain human habitation or economic life of their own shall have no exclusive economic zone or continental shelf.



The establishment of the EEZ created the potential for overlapping claims in the South China Sea. These claims could be extended by any nation that could establish a settlement on the islands.

In 1988 China clashed again with Vietnam, when the navies of the two countries met at the Johnson Reef in the Spratly Islands. The Chinese Navy sank several Vietnamese ships, killing 70 sailors.⁴⁷²

By 1992 almost all Southeast Asian nations were involved in offshore oil exploration, and Vietnam and Malaysia had announced their mutual interest in joint development of oil reserves where their claims overlapped. The Chinese declaration of the Law of the Territorial Sea, the Chinese occupation of reefs and the skirmish with Vietnamese naval units all reflected China's heightened sensitivity to "resource invasion" in the South China Sea. It was also at this time that China began to use American companies to reaffirm and internationalise its claims, just as other nations in the area had done before. Creston was the first one to get a contract and was even promised PLA Navy protection for Creston personnel and equipment.⁴⁷³

On February 1992, China promulgated its "Law on the territorial sea and the contiguous zone".⁴⁷⁴ Accordingly, China's territorial waters were extended from 37,000 square kilometres to 2,8 million square kilometres, including the Paracel and Spratly Islands. The Chinese territory from which the 12-mile limit is to be measured includes offshore islands that

⁴⁷² *The South China Sea Region (2001)* United States Energy Information Administration, www.eia.doe.gov, accessed 21 August 2001.

⁴⁷³ Studeman, Michael (1998) *Calculating China's Advances in the South China Sea Identifying the triggers of "Expansionism"* U.S. Naval War College, www.nwc.navy.mil/press/Review/1998/spring/art.sp8.htm, accessed 21 August 2001.

⁴⁷⁴ *Ibidem*.

are under dispute with the Philippines, Japan, Malaysia and Vietnam.⁴⁷⁵ These regulations revived regional antagonisms over maritime sovereignty.⁴⁷⁶



The Philippines and Malaysia as well as China made statements upon ratification of the UNCLOS in 1996 that were incompatible with each other, reflecting the conflicting claims in the South China Sea.⁴⁷⁷

In its declaration upon ratification of the UNCLOS, China reiterated all its previous claims in the South China Sea. It also stated that it would feel free to request “a foreign state to obtain advance approval from or to give prior notification to... (China) ... for the passage of warships through the territorial sea”.⁴⁷⁸ Currently, China has two military zones in force, namely the Military Security Zone on the northern part of the Yellow Sea, which vessels can enter only with permission of the Chinese authorities concerned and the Military Operational Zone in the waters north of Taiwan and south of 29 degrees, in which vessels are advised not to fish.⁴⁷⁹ In USA, Japan and nations surrounding the South China Sea, these regulations are seen as a warning about possible future threats against free navigation in the region.

It was not only China that used the UNCLOS as a means for furthering its claims in the South China Sea. A “Conference on Human and regional Security around the South China Sea, 2-4 June 2000” at the University of Oslo established as a main finding that although the UNCLOS has been ratified by the regional states, it is not applied:

⁴⁷⁵ Kim, Duk-ki (2000) *Naval Strategy in Northeast Asia*, London, Frank Cass Publisher, p. 48.

⁴⁷⁶ Studeman, Michael (1998) *Calculating China's Advances in the South China Sea Identifying the triggers of "Expansionism"* U.S. Naval War College, www.nwc.navy.mil/press/Review/1998/spring/art.sp8.htm, accessed 21 August 2001.

⁴⁷⁷ *The United Nations Convention on the Law of the Sea*, www.un.org/, accessed 21 August 2001.

⁴⁷⁸ *The United Nations Convention on the Law of the Sea*, www.un.org/, accessed 21 August 2001.

⁴⁷⁹ Kim, Duk-ki (2000) *Naval Strategy in Northeast Asia*, London, Frank Cass Publisher, p. 48.

“The responsibility of securing the application of UNCLOS and other important treaties is completely in the hands of the states. However, the states around the South China Sea have not fulfilled their obligation to define their maritime zone claims in accordance with the rules established in the UNCLOS. Their claims are vague and ill defined”.⁴⁸⁰

China, Indonesia, Malaysia, the Philippines, Taiwan and Vietnam are all criticised for their ways of defining their claims.

“These illegitimate baselines are likely to impede rather than facilitate the resolution of disputes. At the same time they are unlikely to enhance national interests. Zones based on illegitimate baselines will not be respected by other states. And illegitimate base points and baselines will be considered unacceptable by the opposite party in negotiations concerning median lines”.⁴⁸¹

This is indeed what has happened. In 1995 China decided to occupy the Mischief Reef, in the zone claimed by the Philippines. This was the beginning of a falling-out with the Philippines over hydrocarbon exploration in the Northeast region of the Spratlys.⁴⁸²

Between 1992 and 1996, 134 Taiwanese fishing boats and merchant marines were harassed, inspected detained, rammed and fired upon by PLA naval vessels in the northern part of the South China Sea.⁴⁸³ In 1996, a Philippine naval patrol boat was rammed by a Chinese armed trawler off the Luzon Coast. It had tried to stop the Chinese trawler for inspection and the two sides engaged in a heavy exchange of gunfire. More examples can be cited.⁴⁸⁴

⁴⁸⁰ *Main Finding 6: Although the United Nations Convention on the Law of the Sea (UNCLOS) has been ratified by the regional states, it is not respected*, The Oslo Conference on Human and regional Security around the South China Sea, 2-4 June 2000, www.sum.uio.no/southchinasea/, accessed 21 August 2001.

⁴⁸¹ Ibidem.

⁴⁸² Studeman, Michael (1998) *Calculating China's Advances in the South China Sea Identifying the triggers of "Expansionism"* U.S. Naval War College, www.nwc.navy.mil/press/Review/1998/spring/art.sp8.htm, accessed 21 August 2001.

⁴⁸³ Tien, Hung-mao and Cheng, Tun-jen (2000) *The Security Environment in the Asia-Pacific*, New York, M.E. Sharpe, p.273.

⁴⁸⁴ Ibidem.

THE SOUTH CHINA SEA



ASEAN efforts to solve the problem fail to get approval from China

Since the disputes about the South China Sea are either disputes between members of the Association of South East Asian Nations (ASEAN) or – more often – disputes between a member of the ASEAN and China, this issue seems to be a natural item on the agenda for the ASEAN meetings.⁴⁸⁵ However, the extremely cautious and consensus-g geared approach of the

⁴⁸⁵ **The Claims:** The positions of the involved nations can be described as follows (The overview is based on an article by Chien Chung. Brunei: It claims a corridor extending to the south of the Spratly Islands, and beyond its coast to include the Rifleman's bank. The claims are overlapping with the historical waters of China and Taiwan. They also cover the unoccupied Louisa Reef, which has been given different names by three other claimants, namely Malaysia, China and Taiwan. Brunei's extended maritime boundary also overlaps with those claimed by the Philippines and Vietnam. The People's Republic of China: China is using historical "discovery and use" (as authorised by the UNCLOS) for making sweeping claims to most of the South China Sea, often illustrated by a map showing a U-shaped line encompassing much of the continental shelves. In modern time, the Chinese government set up fishing shelters in the Paracel Islands in 1955 and Taiwanese troops have been permanently stationed on the island of Itu Aba since 1956, which is used by China as confirmation of its claims, since China regards Taiwan as part of its territory. Since 1974 China occupies former Vietnamese parts of the Paracel Islands, since 1987 some uninhabitable reefs in the Spratly Islands and since 1994 the (formerly Philippino) Mischief Reefs in the Spratly Islands. China's claims overlap claims by Brunei, Indonesia, Malaysia, the Philippines, Taiwan and Vietnam. Of special importance is the claim manifested in the declaration by China in connection

ASEAN has made it a comparatively rare item for formal statements from meetings of that group. In 1992, the Post Ministerial Conference in Manila announced its first declaration on the issue of regional security. It called on all competing claimants to settle their disputes peacefully and called for regional cooperation in furthering the safety of navigation and communication, pollution prevention, search and rescue, and in combating piracy and drug smuggling in the South China Sea. China, a so-called dialogue partner to the ASEAN, opposed this declaration.⁴⁸⁶

In 1995, ASEAN reacted to China's occupation of the Mischief Reef, which until then had belonged to the Philippines, and was given a conciliatory response by China as well as a supportive statement from USA. China at that time agreed in principle to establish bilateral "codes of conduct" with the Philippines and Vietnam.⁴⁸⁷ In 1997, Vietnam succeeded in obtaining a supportive statement from the other ASEAN members after China had started drilling for oil in parts of the Spratly Islands claimed by Vietnam.⁴⁸⁸

Two ideas had some progress within ASEAN. Bilateral co-operation was the first one to have practical consequences, unfortunately not the intended ones. In 1992, Vietnam and the Philippines had announced their mutual interest in joint development of oil reserves where their claims overlapped. In March the same year, Chinese forces landed on the Da Ba Dau reef, near the Vietnamese-held island of Sin Cowe east, chasing away Vietnamese forces there, and four months later the procedure was repeated on the nearby Da Lac reef.⁴⁸⁹

with its ratification of the UNCLOS in 1996. China "reaffirms its sovereignty over all its archipelagos and islands listed in article 2 of the Law of the People's Republic of China on the territorial sea and the contiguous zone, which was promulgated on 25 February 1992".⁴⁸⁵ By this claim China does not recognise the right of Indonesia, the Philippines, Vietnam, Brunei and Japan to an exclusive economic zone according to the UNCLOS rules within this area. Indonesia: The Natuna Islands are part of Indonesia, and parts of the 75,000 square kilometre wide attendant maritime area are claimed on historical grounds by both China and Taiwan. Indonesia's maritime boundary also overlaps with areas claimed by Vietnam. Malaysia: The continental shelf boundary of Malaysia covers part of the Spratly Islands and is also claimed by China and Taiwan. Malaysia has both sent troops and built tourist resorts on the islet of Swallow Reef to prove that the islet can sustain life by itself. The Philippines: The Kalayaan Group of islands in the Spratly Islands was already claimed by the Philippines in 1946. Settlers there were driven away by a Taiwanese naval force in 1950, but since 1970 the Philippine military have fortified nine islets. The Philippine claim includes a substantial northeastern part of the Spratly Islands. Several islands are settled by Philippine civilians and Philippine military forces occupy other islands and reefs in the Kalayaan Group.

Vietnam: Also Vietnam is using historical "discovery and use" for claiming both the Paracel and Spratly Islands. French and Vietnamese forces occupied them since 1933 and Vietnamese settlers lived there. During the Second World War, Japan occupied the islands for a short period, but they were retaken by French forces, which were replaced by South Vietnamese forces. They were in turn chased away by Chinese forces in 1974 on the Paracel Islands, but Vietnam still occupies 24 of the islands in the Spratly Group. Vietnam's dispute with China also includes part of the Gulf of Tonkin. Vietnam's claims overlap with those of China, Malaysia, the Philippines and Taiwan.

⁴⁸⁶ Tien, Hung-mao and Cheng, Tun-jen (2000) *The Security Environment in the Asia-Pacific*, New York, M.E. Sharpe, p.287.

⁴⁸⁷ Studeman, Michael (1998) *Calculating China's Advances in the South China Sea Identifying the triggers of "Expansionism"* U.S. Naval War College, www.nwc.navy.mil/press/Review/1998/spring/art.sp8.htm, accessed 21 August 2001.

⁴⁸⁸ Tien, Hung-mao and Cheng, Tun-jen (2000) *The Security Environment in the Asia-Pacific*, New York, M.E. Sharpe, p.287.

⁴⁸⁹ Studeman, Michael (1998) *Calculating China's Advances in the South China Sea Identifying the triggers of "Expansionism"* U.S. Naval War College, www.nwc.navy.mil/press/Review/1998/spring/art.sp8.htm, accessed 21 August 2001.

A multilateral effort toward co-operation was tried in 1995, when Vietnam's entry into the ASEAN and the simultaneous Chinese pressure against the Philippines about the Spratlys made a co-ordinated approach toward China possible. It did not lead to success. China did not wish to enter into a multilateral discussion about the matter, only about bilateral "codes of conduct" with the Philippines and Vietnam.⁴⁹⁰ China also declined to accept discussions about the South China Sea in the ASEAN Regional Forum (ARF), which was established in 1994 as a forum for security policy-related issues, which until then had been banned from the ASEAN-meetings.

Failing to reach agreements about multilateral official discussions, the ASEAN-states tried a so-called second track. The Council for Security Co-operation in the Asia-Pacific (CSCAP) was established in 1993 as a non-governmental organisation (NGO) to reduce the risk of potential conflict in the region. It started within the framework of the so-called Workshop on Managing Potential Conflicts in the South China Sea. 17 countries have participated in workshop meetings that were held until 1997, but no specific solutions were reached.⁴⁹¹ They did, however, lead to dialogues between Vietnam and other members, namely the Philippines, Malaysia and Indonesia as well as between China and the same members with a view to solving bilateral disputes. No formal result was produced, but at least some communication was established.⁴⁹²

The United States Institute of Peace has made a tentative list of approaches to resolving the disputes.⁴⁹³ It contains

- The initiative leading to the establishment of the Workshop on Managing Potential Conflicts in the South China Sea;
- Creation of an eminent persons group from ASEAN non-claimants such as Singapore, Indonesia and Thailand;
- Third party mediation. The International Court of Justice has been mentioned, but objections from China makes it unlikely to succeed;
- Creation of a joint resource development authority. The idea is likely to be opposed by China but has as a model similar institutions set up by the Antarctic Treaty, The Timor Gap Treaty and agreements in the Persian Gulf;
- Resolving the bilateral issues first, then pursuing multilateral negotiations. China has resisted calls for multilateral discussions of the Spratly Islands issue, insisting on bilateral negotiations involving the PRC while condemning bilateral negotiations between other claimants.

Continuation of ASEAN-Chinese discussions

What has been said so far about the South China Sea issue dates up to the beginning of 1998? A short overview of the development during the following four years may offer some interesting insights.

⁴⁹⁰ *The South China Sea Region (2001)* United States Energy Information Administration, www.eia.doe.gov, accessed 21 August 2001.

⁴⁹¹ Tien, Hung-mao and Cheng, Tun-jen (2000) *The Security Environment in the Asia-Pacific*, New York, M.E. Sharpe, p. 289.

⁴⁹² Kim, Duk-ki (2000) *Naval Strategy in Northeast Asia*, London, Frank Cass Publisher, p. 73.

⁴⁹³ *The South China Sea Dispute: Prospects for Preventive Diplomacy (2001)*, United States Institute of Peace, www.usip.org/oc/sr/snyder/South_China_Sea1.html, accessed 21 August 2001.

In November 1998 the Philippine Navy seized 20 Chinese fishermen and their boats in the Mischief Reef, about 185 nautical miles from the Philippine mainland or well within the 200 mile Philippine EEZ.⁴⁹⁴ President Estrada issued a further order to the navy to fire warning shots at “enemy ships getting near” the positions where Filipino ships were positioned and if necessary to conduct board and search operations.⁴⁹⁵

The Presidents of the two countries discussed the issue during a meeting with the Asia-Pacific Economic Co-operation (APEC) forum in Kuala Lumpur. They agreed to settle the dispute peacefully and to establish a group of experts to find ways of making confidence-building measures between China and the Philippines.⁴⁹⁶

Facing concern expressed by President Estrada at a summit meeting with the ASEAN-leaders a month later, China’s Vice President Hu Jintao repeated the Chinese standpoint that such problems be solved on “a nation-to-nation basis” and suggested that bilateral talks are appropriate channels.⁴⁹⁷

The bilateral working-group, which had been decided in Kuala Lumpur, did not produce any agreement during a first meeting, which was held between the two foreign ministers in Manila in April 1999. The Philippines had asked China to accept settlement by the UNCLOS tribunal but was told that the dispute must be solved through bilateral negotiations.⁴⁹⁸

A Filipino Navy ship rammed a Chinese fishing boat at Scarborough Reef in the Spratly Islands in May 1999, which caused China to issue stern warnings.⁴⁹⁹ A spokesman for President Estrada declared that the Philippines would continue to protect its territorial claims with naval patrols.⁵⁰⁰ On the following day the Philippine senate voted for ratification of a visiting Forces Agreement with USA, including a resuming of large-scale military exercises with the U.S. forces. (It had been suspended, when the Philippines abrogated the bilateral Status of Forces Agreement with USA in 1966 and refused USA to continue leasing the Subic Bay naval base.)⁵⁰¹

Later in the same year, China asked to be an observer at “military exercises held by the Philippines with another country”.⁵⁰²

Taiwan took a step toward demilitarising the South China Sea during 1999 by placing the troops there under Coast Guard Jurisdiction. Taiwan had occupied the Itu Aba Island and the Pratas Island in the Spratlys with small military garrisons since the 1950s.⁵⁰³

The Philippines again was involved in an incident in October 1999, when Vietnamese troops fired at one of its reconnaissance planes over the Pigeon Reef in the Spratlys. Both countries

⁴⁹⁴ *International Herald Tribune*, 14 December 1998.

⁴⁹⁵ *The Hong Kong Standard*, 12 November 1998.

⁴⁹⁶ *The Hong Kong Standard*, 18 November 1998.

⁴⁹⁷ *China Daily*, 17 December 1998.

⁴⁹⁸ *China Daily*, 2 April 1999.

⁴⁹⁹ *China Daily*, 26 May 1999.

⁵⁰⁰ *The Hong Kong Standard*, 8 June 1999.

⁵⁰¹ *Jane's Defence Weekly*, 9 June 1999,

⁵⁰² *South China Morning Post*, 30 October 1999.

⁵⁰³ *International Herald Tribune*, 23 May 2000.

continued claiming the right to the island.⁵⁰⁴ A fisherman from Hong Kong was arrested off the Spratlys during the same autumn, near the navy station at the Pag-Asa Island, which belongs to the Philippines.

Diplomatic contacts had led to a belief within the ASEAN that maybe some meaningful discussions could be expected during a coming meeting with the ASEAN in 2000.⁵⁰⁵ However, these expectations were somewhat discouraged, when China, as usual, announced its opposition against Taiwan taking part in any of the meetings, Taiwan being one of the key claimants in the area.⁵⁰⁶

The ASEAN summit meeting in Manila 1999 offered little progress. Beijing agreed to freeze any activity in the Spratlys, but warned that it would not be forced into signing a code of conduct, which had been advocated by a united ASEAN front of states. China's Prime Minister Zhu Rongji objected to the Paracel Islands being included on the ground that only Vietnam and China were contesting their rights to the islands and that this dispute should better be solved on a bilateral basis.⁵⁰⁷ Many observers became sceptical about the future of the negotiations after this meeting. They saw behind China's actions a plan to stop them from succeeding, familiar from other international fora. First China accepts to take part in an international process that is supposed to lead to the solution of a certain issue – and is welcomed by the other participants, who suddenly see a prospect of success. China then steers the process into a track, where it cannot be continued any further - but to outsiders, the process still looks like an ongoing effort.

These misgivings seemed to be correct, when China shortly afterwards reversed its policy and proposed a draft code of conduct of its own, according to which the claimants should refrain from military exercises and from carrying on dangerous reconnaissance, military patrolling and arresting fishermen. It covered only the Spratly Islands. Negotiations began about reconciling the two drafts into one.⁵⁰⁸

At a meeting in Hanoi in July 2001, China's Foreign Minister Tang Jiaxuan told the members that China and ASEAN had worked hard to settle their differences and that Vietnam and China had signed an agreement on their disputed sea frontier in the Tonkin Gulf. This agreement, however, does not cover the Paracel Islands, nor does it cover the Spratlys.⁵⁰⁹

Before the ASEAN summit meeting 2001, China again objected to Taiwan being allowed to the table.⁵¹⁰ The summit this time was regarded as reasonably successful, not because anything was solved regarding the South China Sea issue, but because the organisation formally decided to engage its Regional Forum (ARF) in discussions about regional peace and stability and, more specifically, in preventive diplomacy.⁵¹¹ Yet, the Chinese attitude was not enthusiastic. The Chinese Foreign Minister warned that the Forum should still retain its nature as a political and diplomatic forum and still focus on confidence building. "Principles such as non-interference in each other's internal affairs and consensus-building should continue to be

⁵⁰⁴ *The Hong Kong Standard*, 27 September 1999.

⁵⁰⁵ *South China Morning Post*, 24 November 2000, *China Daily*, 30 November 2000.

⁵⁰⁶ *International Herald Tribune*, 23 May 2000.

⁵⁰⁷ *South China Morning Post*, 28 November 1999.

⁵⁰⁸ *South China Morning Post*, 28 February 2000.

⁵⁰⁹ *South China Morning Post*, 27 July 2001.

⁵¹⁰ *South China Morning Post*, 19 July 2001.

⁵¹¹ *South China Morning Post*, 29 July 2001.

observed”.” Big countries should settle their differences through dialogue and consultations and seek to establish good state-to-state relations in order to provide a sound basis for regional co-operation”.⁵¹²

Chinese and U.S. long-term interests in the South China Sea

What are the strategies of the main actors in the South China Sea? China has opened up considerably to the outside world since the 1970s, but it is still far from an open society, and declarations of intent are scarce and usually terse. More indirect means of analysis have to be used.

It is easy to see how China was unable to act or even to take an active interest in the South China Sea during the years of the Cultural Revolution. The smaller neighbours could take possession of assets there with impunity for decades, but China’s reaction when it was discovered was obviously vehement. It is also easy to see why it was so. China had been victim of colonial oppression for more than a century, and nationalism was already strong. This was especially so, because in the past, China for many centuries had maintained a colonial-like system for its smaller neighbours, who were treated as vassal states. The Chinese therefore had felt even more humiliated when, during the nineteenth century, their country was treated like a small country and these sentiments are not forgotten today. Now, the Chinese nation has been subject to another humiliation. It has been even more humiliating than before, because it happened after the founding of the People’s Republic and was caused by small nations, formerly regarded as vassal states, at least in the case of Vietnam. The tenacity, vehemence and sometimes brutality in the Chinese reaction have to be seen against this background.

It is another matter whether there is a long-term plan behind Chinese actions in the South China Sea or not. There is certain logic in the way China has put forward its claims, and it is easy to see a pattern that might be evidence of the existence of a plan.

When China first acted, it took the Paracel Islands from Vietnam in 1974. It was lost by South Vietnamese troops, who were the enemies of China at the time, but the South Vietnamese regime was already near its total breakdown, and North Vietnam, the likely victor, was an ally to China. USA was already pulling out of the war, and Saigon fell in the year after. Much opposition could not be expected from the U.S., and it did not materialise. Here, China took its chance, when it presented itself.⁵¹³

USA had withdrawn from its Clark and Subic Bay bases in the Philippines during 1992. It had become clear already during the foregoing year that the leasing-contracts would not be renewed, and the withdrawal was made almost entirely during 1992.⁵¹⁴ In February the same year, China promulgated its Law of the People’s Republic of China on the Territorial Sea and the Contiguous Zone with its claims on territories which had for decades belonged to or been used by other nations at a time when USA was in a weakened position. It was followed up in 1995 with the occupation of Mischief Reef and in 1996 with the declaration about archipelago

⁵¹² *China Daily*, 26 July 2001.

⁵¹³ Kim, Duk-ki (2000) *Naval Strategy in Northeast Asia*, London, Frank Cass Publisher, p.72.

⁵¹⁴ Stuart, Douglas T. and Tow, William T. (1995) *A U.S. Strategy for the Asia-Pacific*, Adelphi Paper 299, London, The International Institute for Strategic Studies, p.8.

status for the Paracel and Spratly Islands, giving China the possibility to claim almost the whole South China Sea.⁵¹⁵

After the handover of Hong Kong to China in 1997, the statements from Beijing regarding the South China Sea issue often took on a nationalistic flavour, arguing that this area should be “restored to the motherland”. Lieutenant M. Studeman has made a study of how the People’s Army Navy (the PLAN) has used this argument and united with nationalist politicians, economists and certain provincial officials, who represent a loose but powerful coalition exerting influence over decision makers in Beijing.⁵¹⁶

So far it seems like an understandable, although from an international peace perspective objectionable, effort to regain lost property. What remains more problematic from that same perspective is the possibility that the Chinese plans may include an intention to control the sea-lanes as well. In its statement in connection with the ratification of the UNCLOS point 4, China stated that it would feel free to request “a foreign state to obtain advance approval from or to give prior notification to (China) for the passage of warships through the territorial sea”.⁵¹⁷ Does China mean that its territorial sea also includes the two areas covered by its claim for archipelago status for the Paracel and Spratly Groups of islands (this is theoretically the result of claiming archipelago status)?

It should be recalled that on 1 April 2001, an American surveillance plane collided with a Chinese fighter plane over the South China Sea, inside the economic zone, which is claimed by China, but according to the U.S. interpretation, over international waters. International experts on China believed that the incident was used by the PLA to boost its political clout by forcing the face-off with USA over its security role in East Asia.⁵¹⁸ The official news agency Xinhua carried an article claiming China’s right to regulate the conditions for passage through China’s economic zone.⁵¹⁹ This claim was based on an interpretation of certain UNCLOS rules giving a coastal state the right to regulate activities inside the economic zone of that country. The seriousness of the intention to uphold the far-reaching interpretation declared in *Beijing Review* and *China Daily* came later in April, when an Australian flotilla of three warships were asked by a PLA ship to leave the Taiwan Strait, because they were “breaching China’s sea boundaries”. The Australian ships refused to change course and there was no further effort from the side of PLA to stop them.⁵²⁰

USA has not promised to stop the reconnaissance flights over international waters but inside China’s exclusive economic zone and has actually continued these flight missions without being challenged any more.⁵²¹ It remains unclear, however, if China is claiming a right to regulate passage in peacetime of military ships and aeroplanes through its economic zone and/or whether the whole of the South China Sea is also claimed as “territorial waters”. To claim the South China Sea as territorial waters would mean a serious challenge to the military role of USA in the Western Pacific. So far, one logic interpretation is that China may indeed

⁵¹⁵ *The United Nations Convention on the Law of the Sea*, www.un.org/, accessed 21 August 2001.

⁵¹⁶ Studeman, Michael (1998) *Calculating China's Advances in the South China Sea Identifying the triggers of "Expansionism"* U.S. Naval War College, www.nwc.navy.mil/press/Review/1998/spring/art.sp8.htm, accessed 21 August 2001.

⁵¹⁷ *The United Nations Convention on the Law of the Sea*, www.un.org/, accessed 21 August 2001.

⁵¹⁸ *South China Morning Post*, 10 April 2001.

⁵¹⁹ *Beijing Review*, 19 April 2001 and 26 April, 2001 and *China Daily* 17 April, 2001.

⁵²⁰ *South China Morning Post*, 30 April 2001.

⁵²¹ *Japan Times*, 31 March 2001, *South China Morning Post*, 30 July 2001.

preparing to maintain its “right” to do so, an interpretation of the UNCLOS that is questionable and rests on contested claims.⁵²²

The American position has been cautious. It did not intervene when China took over the Paracel islands from Vietnam in 1974, nor object officially when China ratified the UNCLOS with declarations, nor react when the Philippines asked for help in defending the Mischief Reef or any of the other events that have disturbed the peace in the South China Sea. The American position regarding the Spratly Islands was spelled out in a somewhat ambiguous way by the U.S. State Department in 1995:

- The United States takes no position on competing sovereignty claims;
- The Spratly islands issue should be resolved peacefully;
- The United States therefore opposes the use of force as a means of resolving the disputes;
- Freedom of navigation throughout the South China Sea should not be affected by whatever solution is reached.⁵²³

On 8 March 2000, Assistant Secretary of Defense, Franklin Kramer, declared before the House International Relations Committee:

“The dispute over the Spratly islands has the potential to draw in most of the region’s major players and threaten U.S. interests in the process. While the U.S. takes no position on the legal merits of competing claims to sovereignty in the South China Sea, maintaining peace and stability as well as freedom of navigation are fundamental interests of the United States. We encourage claimants to resolve their conflicting claims peacefully, in a manner consistent with international law and to refrain from unilateral actions that increase tensions in the area. We support as stabilising ASEAN’s efforts to develop a Code of Conduct among claimants to guide future activities in the area. The ASEAN Regional Forum has also usefully discussed the South China Sea as a security concern in the region.”

Ambiguity may have continued to characterise the American position, but certainly freedom of navigation is being stressed in clear terms as “fundamental interests of the United States”. The doctrine of strategic ambiguity regarding Taiwan has also become less ambiguous. For the time being, USA has marked clearly that it does not accept China’s ambitions, neither in the South China Sea nor in the Taiwan Strait.

It should be added that during April and early May 2001 the spy plane incident outside Hainan, increased weapon sales to Taiwan and President Bush’s statement that USA was prepared to defend Taiwan in case of a Chinese attack all happened in one month and made the Taiwan issue a more risky key issue in the relations between USA and China. It may now be described as the potentially most dangerous issue. It also constitutes a strong connection between the two issues of the Taiwan Strait and the South China Sea. China’s policy may not have been as bold as it seems, but events took over and had their own impact on the policies of both China and USA. Statesmanship will be needed on both sides to neutralise the damage done to the bilateral relations.

⁵²² According to Article 19 of the UNCLOS it is only in case of so-called innocent passage through territorial waters that the coastal state has the explicit right to demand that the ship or aeroplane does not commit "any act aimed at collecting information to the prejudice of the defence or security of the coastal state". There is no corresponding clause regarding the exclusive economic zone.

⁵²³ Stuart, Douglas T. and Tow, William T. (1995) *A U.S. Strategy for the Asia-Pacific*, Adelphi Paper 299, London, The International Institute for Strategic Studies, p.43.

Taiwan keeps a low profile

Taiwan's position in the South China Sea issue is less confrontational than that of China. In 1993 the National Assembly of Taiwan issued a guideline for a South China Sea Policy, wherein claims were made to the whole area, based on a map published by the Republic of China in 1948. However, since 1995 Taiwan does not perform any military patrolling of the area, except for keeping a guard unit on the island of Itu Aba.

Taiwan has co-operated with China to a certain extent. During a period of comparatively relaxed relations, a daughter company in Panama of the Taiwanese government-owned oil company made an agreement with a mainland government-owned oil company about common exploration of oil- and gas resources in the South China Sea.⁵²⁴ It is not known whether this led to any concrete results, and relations have deteriorated between Beijing and Taipei since then. Taiwan withdrew its small military garrison from the Itu Aba Island in 1999 and put it under Coast guard jurisdiction.⁵²⁵

Japan is also concerned

The Japanese Self Defense Agency is reported to plan for contingencies on the basis that the Taiwan Strait is in a neighbouring area that could be covered by the revised guidelines for U.S.-Japan defence co-operation. Japan could exercise its right of self-defence in the event of its economic security being threatened by the blockade of vital sea lines of communication.⁵²⁶

A "Joint Statement U.S.-Japan Security Consultative Committee" was issued on 23 September 1997.⁵²⁷ On U.S.-Japan Operational Cooperation it says that as situations in areas surrounding Japan have an important influence on Japan's peace and security, the Self-Defense Forces will conduct such activities as intelligence gathering, surveillance and minesweeping, to protect lives and property and to ensure navigational safety. U.S. Forces will conduct operations to restore the peace and security affected by situations in areas surrounding Japan. On bilateral defence planning it says that the two governments under normal circumstances will establish common standards for preparations for the defence of Japan. These standards will address such matters as intelligence activities, unit activities, movements and logistics support in each readiness stage. The two governments will similarly establish common standards for preparations of co-operative measures in situations in areas surrounding Japan so that they may select a common readiness stage by mutual agreement.

Japan has an interest in the South China Sea issue as well, in spite of not being a claimant. In the 1999 annual publication by the Japan Self-Defense Agency,⁵²⁸ it is stated that the Spratly Islands occupy an important strategic position for maritime traffic.

⁵²⁴ Nordhaug, Kristen (2000) *Taiwans rolle i konflikten i Sør-Kina-havet*, The Oslo Conference on Human and regional Security around the South China Sea, 2-4 June 2000, www.sum.uio.no/southchinasea/, accessed 21 August 2001.

⁵²⁵ *International Herald Tribune*, 23 May 2000.

⁵²⁶ Klintworth, Gary (2000) *Taiwan replaces North Korea as Japan's prime concern*, Asia-Pacific Defencereporter, August/September 2000.

⁵²⁷ Joint Statement U.S.-Japan Security Consultative Committee Completion of the Review of the Guidelines for U.S. Defense Cooperation New York, New York, 23 September 1997.

⁵²⁸ *Defense of Japan* (1999) Tokyo, Defense Agency of Japan, p. 42.

When describing The Law concerning Measures to Ensure Peace and Security of Japan in Situations in Areas Surrounding Japan, the publication says that situations in areas surrounding Japan are defined as “situations that will have an important influence on Japan’s peace and security”. The law was approved in Diet in May 1999 and provides measures to be taken for the implementation of the Japan-U.S. Security Treaty. Any such measure would in principle have to be approved by the Diet on suggestion from the Prime Minister, but may be taken without such approval in case of emergency.⁵²⁹ While it is not clear that a disturbance to the sea-lanes to Japan would necessarily be seen as a “Situation” in the meaning of this law, it does give the Japanese Government the option to intervene, if the United States should ask for its assistance.

The same would obviously apply in case of a U.S. request for assistance in defence of Taiwan against a Chinese attack. That is the reason why the law has been vehemently opposed in Chinese mainland media. Both defence of Taiwan and keeping the sea-lanes in the Western Pacific open can be construed as a “situation “ wherein Japan can be called upon by USA to provide military assistance.

South Korea tries not to be involved

For South Korea the sea-lanes seem to be just as important as for Japan, but Korean authorities offer fewer comments on the subject. The Annual Defense White Paper of the Ministry of National Defense of the Republic of Korea does not give as much information about the strategic importance of the South China Sea or Taiwan to South Korea as its Japanese corresponding document. The armed forces of South Korea have a much more single-minded task, namely to meet the perceived threat from North Korea. The Commander of the United Nations Command in Korea is also in command of the United States Forces Korea (USFK) and not subordinated to the U.S. Commander in Chief U.S. Pacific Command (CINCPAC).⁵³⁰ The Joint Communiqué from the ROK-U.S. Security Consultative Meeting 15 January 1999 does not mention any regional concern.⁵³¹ However, regarding “External Military Policy for Peninsular Stability and Global Peace” the White Paper mentions that South Korea has participated in both the ARF (ASEAN Regional Forum) and CSCAP (Council for Security Co-operation in the Asia-Pacific).

Australia is becoming involved

Australia has a geographic position that makes it less dependant on sea-lanes in contested areas en route to Europe and the Middle East – but a growing portion of its trade is with Asian markets, which already by the early 1990s were consuming two thirds of Australian exports.⁵³² Australia is also bound to the U.S. in a treaty relationship since 1951, when the Australia-New Zealand-United States (ANZUS) Security Treaty came into effect. Later, New Zealand’s membership was called into question during a dispute over visits by nuclear-powered and nuclear-armed ships and New Zealand’s participation was abrogated in 1986, while Australia and USA remained.

⁵²⁹ *Defense of Japan* (1999) Tokyo, Defense Agency of Japan, p.137.

⁵³⁰ *Defense White Paper* (1999) Seoul, The Ministry of National Defense, p.77.

⁵³¹ *Defense White Paper* (1999) Seoul, The Ministry of National Defense, Appendix 13.

⁵³² Ravenhill, John(2001) *Allies but not friends: the economic relationship*, article in *Australian Journal of International Affairs*, Vol. 55, pp 249-259.

ANZUS is today the main pillar of Australian foreign policy, declared Prime Minister John Howard in August 2001.⁵³³ According to a recent White Paper on Defence, Australia is a major beneficiary of a long-standing American commitment to extend deterrence guarantees on its behalf in the event of a general war commencing in the Asia-Pacific or globally. Moreover, the alliance embodies a “Strategic reassurance” component. However, the ANZUS remains a defence alliance without a specific threat designation. Strategically, it continues to facilitate the presence of American power in the Asia-Pacific region, while affording Australia frequent opportunities for significant engagement with the world’s greatest military power in the words of the Australian Department of Defence.⁵³⁴

The ANZUS treaty has come under criticism in Australia recently, after the uproar that followed the reported comment by Prime Minister John Howard (somewhat distorted by the press) that Australia could play the role of a regional “deputy sheriff” to the American sheriff. Critics alleged that such a role was incompatible with objectives that Australia should give higher priority, like to engage more wholeheartedly with its Asian neighbours and to support regionally based approaches to peacekeeping and multilateral diplomacy against shared threats to the peace and stability of the region. Former Prime Minister Malcolm Fraser is one of those critics.⁵³⁵

It seems, however, that the critics are a minority. A former diplomat and present Member of Parliament for the Labour Party, Kevin Rudd, has the following comment to that:

“It is worth speculating what would happen in East Asia if the United States did choose to end its forward deployments and withdraw U.S. military assets to U.S. territory on Guam, the Aleutians and Hawaii. If the U.S. embarked upon such a course of action, leaving aside what its continuing obligations might be to Taiwan under the Taiwan Relations Act, the immediate implications for regional stability would be significant. An unprecedented regional arms race would be likely to ensue as China, Japan and, to a lesser extent, Korea, sought to compete to fill the strategic vacuum left by the American withdrawal. Furthermore, such an arms race would not necessarily remain conventional, particularly in the case of Japan and possibly Taiwan. Any of these developments would be inimical to Australia’s national security.”

Kevin Rudd ends his article in the belief that there will also be a centennial anniversary for the ANZUS.⁵³⁶

A quite different matter is what might be expected from Australia if the U.S. would invoke the ANZUS and call on military assistance from Australia because a crisis would erupt in the South China Sea or China would attack Taiwan. High-ranking policy-advisers to the Bush administration have made it brutally clear that such a conflict would be as much a test of Australia’s alliance loyalty as its commitments in Korea and Vietnam during the Cold War.⁵³⁷ The answer from Australia to that question has been far from loud and clear, which caused the

⁵³³ *South China Morning Post*, 23 August 2001.

⁵³⁴ Edwards, Peter and Tow, William T.(2001)" Introduction", *ANZUS Turns 50*, Special issue of *Australian Journal of International Affairs*, Vol. 55, p.170.

⁵³⁵ Edwards, Peter and Tow, William T.(2001)" Introduction", *ANZUS Turns 50*, Special issue of *Australian Journal of International Affairs*, Vol. 55, p.170.

⁵³⁶ Rudd, Kevin (2001) *ANZUS and the 21st Century*, *Australian Journal of International Affairs*, Vol.55, pp 301-316.

⁵³⁷ Edwards, Peter and Tow, William T.(2001)" *Introduction*", *ANZUS Turns 50*, Special issue of *Australian Journal of International Affairs*, Vol. 55.

American Deputy Secretary of State, Richard Armitage, to repeat the expectation that Australia take part in common defence of Taiwan, if need be.⁵³⁸

During a meeting in Canberra at the end of July 2001, the American foreign and defence secretaries together suggested to their Japanese, South Korean and Australian counterparts a closer collaboration, which immediately was interpreted in Beijing as aiming at common defence of Taiwan.⁵³⁹ This question should be seen in connection with the discussions about missile defence for the Western Pacific – a “regional shield” for the allies of USA. Such a defence would necessitate a common censoring and fire control system for the area and could in itself lead to collaboration whenever one of the participants is involved in a conflict.

Theoretically, Australia is already involved. It is hosting the American early warning satellite relay ground station located at Pine Gap, which is important if not indispensable for both the U.S. national missile defence programme and for any American-led regional shield in the Western Pacific.⁵⁴⁰

⁵³⁸ *Japan Times*, 18 August 2001.

⁵³⁹ *Ibidem*

⁵⁴⁰ Ball, Desmond (2001) "The Strategic Essence", *Australian Journal of International Affairs*, Vol. 55, pp 235-248.

CHAPTER FIVE: The importance of the South China Sea

To the Chinese and even more so to the Taiwanese, the importance of the Taiwan issue is great per se.⁵⁴¹ To that is added importance on the international level.

The economic arguments

This is being contested in some circles. It has, for instance been said that there is not much oil and gas in the South China Sea and that the value of this asset has been grossly exaggerated. This may be partly true. Chinese and other, especially American perceptions seem to vary considerably. However, to the smaller nations around the South China Sea, the value seems to be great enough. They are oil exporters and, as shown in this chapter, the added capability gained from the assets in the sea means an important marginal income to them, which they demonstrate through their energy in supporting their claims.

It has also been shown that they lean on the American presence in the region, when they stand up militarily against the intrusions from Chinese navy vessels. The Philippines is a good case to illustrate this argument. The U.S. military presence is thus given more legitimacy by preserving some stability in the face of Chinese ambition. On the other hand, it has equally been shown in this chapter that, seen from a Chinese standpoint, it is the other nations, who have intruded upon traditional Chinese assets and this tends to reinforce the Chinese ambition “to take it back”.

It has also been said against the importance of the South China Sea that it is only a matter of increased costs, if Japan and Korea would have to import their oil and gas via a longer sea-lane than the one through the South China Sea.

Here, it has to be said here that it does not seem to be in China’s interest in peacetime to intervene in the free flow of goods through the South China Sea. However, the argument of costs being acceptable merits some comment.

⁵⁴¹ All since WWII and the process of de-colonisation that followed it, sympathies have tended to be with the party who tries to establish “freedom” for itself. For instance Greece and the United Kingdom have found it difficult to get international opinion on their side in the cases of Cyprus and Ireland, even if in both cases the influence from a third country complicates the matter for a divided people on the island in question. The people of Taiwan stands united, and China finds it difficult to mobilise international sympathy for its demands. To that is added that most countries are democracies or try to be so, while China is not, but Taiwan certainly is. This means that China would have to pay a certain price in international good will, if it were to try to use force.

To these political aspects is added a problem of ethics. On the international level, there is an increasing feeling of obligation to stop any country from dealing so harshly with any minority inside its borders that it causes widespread losses of human life. The Chinese have been opposing this growing trend, but there are few, who wish openly to stand together with them on this platform. Some circles could invoke the concept of obligation to undertake intervention on humanitarian grounds, if China tries to use force against Taiwan.

However, the enormity of the difficulty China is facing can be appreciated only when seen from a strategic view and that is best illustrated by the issue of the South China Sea, which is what this chapter tries to illustrate.

It is not only Japan's, Korea's, Taiwan's and to some extent Australia's import of oil and gas from the Middle East and South East Asia that would be affected. It is also the export of oil and gas from South East Asia that would be affected, and that would mean that also their economies would be hurt.

Another argument is that not only would Japan's, Korea's and Taiwan's import of oil and gas be affected, a restriction on passage would also hit the import of other goods from these countries to South east and South Asia – and it would hurt the export of goods from these countries. In addition, it would hurt the trade with Europe, which represents a substantial portion of world trade. In sum, the economic consequences are vaster than “just additional costs”. They represent damage to world trade of strategic proportions.

Military strategic arguments

However, it is in case of conflict with some of the important actors in the Western Pacific that commercial maritime traffic is most likely to suffer from Chinese military control of the South China Sea. A maritime blockade of Taiwan would for instance result in an internationalisation of the local problem of Taiwan and even more so, if it were to cover also the passage of ships through the South China Sea. Such a step would threaten the supply of strategic goods for the countries of the Western Pacific. In a country like Japan, daily life would be severely disturbed even by a short interruption of the flow of goods. This means that it is not only the economic side of the problem in the form of increased costs that makes the South China Sea important, it is the strategic importance of the sea lanes that pass through it.

It is actually a banality to say that it is not only economic risks for interruption in maritime traffic that makes the issue important. Since the Japanese attack on Pearl Harbour the Western Pacific is regarded as part of the American Defence parameter. This is motivated by the desire never again to be the object of a surprise attack or loosing the military control over the Ocean on the Western side of the American continent. In the American opinion, it is also motivated by the perception that America is needed to guide the development around the Pacific Ocean in a stabilising direction. A version of the arguments for this perception can be found in the 2001 Report of the Project of the Global Century by the U.S. Institute for National Strategic Studies and the National Defense University.⁵⁴²

American presence in the Western Pacific and the South China Sea

The American ambition to remain with a strong military presence in the Western Pacific, coupled with the undertaking to protect Taiwan from a forced integration with China, has created an atmosphere of certain mutual distrust about long-term strategic intentions between China and the United States. In that environment it is not surprising that the Chinese declarations about the South China Sea is seen with great apprehension in the U.S. It is interpreted as an ambition to get the right to treat the South China Sea as a territorial Sea. It would greatly weaken the American military position of the area, which would be serious enough. More important is the long-term intention that can be traced in connection with the accession to the UNCLOS, when China declared that it regards the South China Sea as an

⁵⁴² Flanagan, Stephen J., Frost, Ellen L. And Kugler, Richard L. (2001) *Challenges of the Global Century* Institute for National Strategic Studies and National Defense University p. 21-22.

Archipelago in the sense of the convention. During 2001, the repeated Chinese statements from authoritative sources in connection with the Spy-plane incident near Hainan and the passage of an Australian navy flotilla through the Taiwan strait have been possible to interpret as a sign that if China were to incorporate Taiwan, the whole southern part of the Western Pacific would come under Chinese control and that this control would be exercised.

The BMD issue and the South China Sea

The introduction of American Theatre Missile Defence in the Western Pacific has increased the tendency toward regional defence. As will be seen in a later chapter, Japan is considering whether introducing such a system in co-operation with the U.S. In Taiwan and Australia (where a radar facility for BMD is already being operated by the U.S. forces) debates about the possibility have begun. In all three cases, intelligence (over the horizon radar etc.), control and to a certain extent even command will have to be exercised by the U.S. forces in the region and/or national defence systems in co-ordination with them – since these countries do not have enough of such capability of their own. South Korea has already decided to leave it to the U.S. to defend the country against incoming missiles to the extent that this is possible. Taken together this would mean in practice that all systems are co-ordinated by the U.S. and that this co-ordinated system would cover the whole region.

This becomes especially interesting, when the aspect of Boost-phase interception comes into the picture. Such a system based on ships and/or the countries in the region could intercept missiles being fired from most, but not all of China's territory. By deploying such a system the United States would get a very important addition to its NMD, since there is no difference between missiles being launched against the Western Pacific and such that are launched against the American continent. As long as this forward deployed Missile Defence does not cover all of China's territory, it may be argued that this represents a reasonable strategic balance between American and Chinese missiles.

Since some time ago, however, there have also been discussions in the U.S. about a space-based boost-phase interceptor system for BMD purposes. In that case, the U.S. would acquire a defence that in theory could totally neutralise the nuclear threat from Chinese missiles. No wonder that China opposes the introduction of NMD but is even more adamant in its resistance against the TMD in the Western Pacific. Another consequence is that the United States continues its policy of military presence with reinforced energy. It tends, on the other hand, to increase the fear that is sometimes expressed by Chinese leaders of being contained and encircled.

Conclusions

In the eyes of the countries of the region, the legitimacy of the U.S. presence stems from the protection it gives to their sea-lanes and against possible demands by China that could infringe upon their integrity. This feeling is strongest in Taiwan, but it is also being felt in Japan and in the case of South Korea mainly directed at the threat from North Korea. In the case of Australia, there is the fear of being left alone in the Pacific Ocean with a potential threat from China and to Australia the American presence is also a perceived guarantee for its security. There is a whole network of bilateral security treaties giving credibility to these reassurances.

Farther south, the South East Asian nations have expressed more and more openly that they fear China's intentions in the South China Sea and that they prefer the United States to remain in the area. This adds to the legitimacy of the American presence and tends to reinforce its durability.

Seen in this larger perspective, Taiwan is an essential part of an American forward defence, comprising also the South China Sea, against potential Chinese dominance over the Western Pacific as well as against the threat from an increasingly advanced Chinese nuclear and missile capability.

To China, it means the opposite, a threat along its coastline and an obstacle against its ambition to reunify with Taiwan.

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ARTICLE No 4

Peaceful Co-existence and/or Military Competition in the Western Pacific?

Economists versus military strategists on WTO, BMD and related issues.

**By
Ingolf Kiesow**

Abbreviations

ABM	Anti Ballistic Missile Treaty
ABL	Airborne Laser
ADB	Asian Development Bank
ANZUS	Australia-New Zealand-United States Security Pact
ARF	ASEAN Regional Forum
ASEAN	Association of South East Asian Nations
BMD	Ballistic Missile Defense
CCP	Chinese Communist Party
GATT	General Agreement on Tariffs and Trade
GDP	Gross Domestic Product
GMDS	Ground-based Midcourse Defense Segment
FOI	Swedish Defence Research Agency
MAD	Mutually Assured Destruction
MFN	Most Favoured Nation
NMD	National Missile Defense system
NTW	Navy Theater Wide ballistic missile defence system
IT	Information technology
PLA	People's Liberation Army
PNTR	Permanent Normal Trade Relations (U.S. legislation for trade with China)
PRC	People's Republic of China
ROC	Republic of China
SOE	State Owned Enterprise
WTO	World Trade Organisation

CHAPTER ONE: WTO-membership may change the world

The Chinese leaders have decided to conduct a thorough restructuring of the Chinese society, liberalise the economy and open the country to the international economy. 20 per cent of the Chinese GDP is already being exported and a further increase of this share, in combination with rules for free competition, creates new conditions for both China and the surrounding world. Seen from the outside world, the most important step on the road toward a liberalised economic system is China's accession to the World Trade Organisation (WTO) that came into force on 1 January 2002.

On that day, also Taiwan became a member of the organisation. For Taiwan, the change following its accession to the WTO will not be that significant. Nevertheless, the consequences of the simultaneous accession of China will have a significant impact on Taiwan since, firstly, Taiwan is generally treated as a part of the mainland country by China and, secondly, a large share of the Taiwanese trade and investments is made in China.

Theoretical aspects

Today's research agenda in the interdisciplinary field of trade/economic integration is not easy to survey. As in the many other interdisciplinary fields, the progress is moving slowly. The security policy researchers and the political economists are still working apart from each other.⁵⁴³

The researcher Johannes Malminen has in a report for FOI made a survey of the attempts to form a theory around the subject economy and security. He finds that the entire idea of economic security is highly controversial and politicised.

The **realists** think that the most important feature to observe in relation to the international system is its anarchic character, and that there is no sovereign who can enforce broken agreements or maintain world peace. War erupts because there is no authority that can stop this from happening. The international relations work as a zero-sum game, wherein one state gets more powerful at another state's expense.

Surprisingly, the **liberals** have put as much emphasis on the national security dimensions as the realists have. The difference between the two perspectives is that the liberals view the *laissez-faire* doctrine and international power sharing as a better means to reach security and prosperity than the power politics of the realists. The economic impetus to start a war decreases as the financial and commercial flows increase and become more global, which opens the path to a peaceful world order. Relative economic growth is an important factor in deciding a state's power status in the international system. Unlike military security, prosperity rarely has the character of a zero-sum game. According to the liberals, the economic successes of one country do not necessarily mean that another country gets poorer.

⁵⁴³Berglöf, Kerstin(2000)*Handels och ekonomisk integrations konfliktförebyggande roll*, Discussion Paper 18 September 2000, The Swedish National Board of Trade, Stockholm.

The **Marxists** can be placed somewhere between the realists and the liberals. Marxists believe that the economy is the foundation for the construction and concord of the society, and that the states, to the extent that it is possible, should steer the economy in order to reach social and political goals like, for example, justice and equality. For the socialist states, it has been necessary to follow a nationally orientated economic policy in order to gain sufficient economic control to succeed with the aspired social transformation. Like the neo-mercantilists, Marxists claim that the international system basically has the character of a conflict orientated zero-sum game.⁵⁴⁴

No generally scientific theory claims to be able to foresee whether economic socio-developments will lead to conflict in a specific case or not. There can be hopes and fears, guessing and trend analyses but real trustworthy predictions are not possible to make.

China's motives for becoming a member of the WTO

After the death of Mao Tse-tung in 1976, more pragmatic and technocratic Chinese leaders started a debate on "the dynamics of nation-building". Some leaders thought that the central government ought to keep a significant control over the economic development processes. Such a strategy would result in a slower economic growth, but, in exchange, it would avoid socially disruptive development risks. In particular, some leaders emphasised the need to maintain state control in order to ensure Chinese self-sufficiency in grains, as well as to avoid the huge income gaps that exist in some capitalistic countries.

Other leaders proposed a larger decrease in state control to help further the level of economic growth. They argued that in the long run, a better economic growth would help the Chinese authorities to deal more efficiently with the social and other problems that would emerge as a consequence of the economic, social and political changes.

The span of this debate on nation-building and economic reforms has gradually narrowed. The main current of thought supports continued economic reforms. It has also reflected the decisions and measures taken as a result of the events in Tienanmen Square in 1989, suppressing the demands for political change.⁵⁴⁵

This policy was for a long period pursued in a relatively undefined way, but after the death of Deng Xiaoping in February 1997, a need for consolidation arose, as well as for the clarification of the division of roles among the surviving leaders. The leadership started to struggle against certain problems of legitimacy after the strict socialist ideology had been abandoned. The continued survival of the system could only be guaranteed through the continued economic growth and faith in the pursued economic policy, and the foundations for a continued long-term growth could only be achieved through opening up to the international economy.

⁵⁴⁴ Malminen, Johannes, (2000), *Ekonomi och Säkerhet – en nödvändig koppling för framtiden*, Swedish Defence Research Agency, FOA-R-00-01441-240-SE, Stockholm.

⁵⁴⁵ Sutter, Robert G. (2000a), *China: Recent Policy Priorities--Implication for U.S.: Interests and Policy Goals*, Washington D.C., Congressional Research Service. The Library of Congress, p.10-11.

Enthusiasm and readiness to accept even painful conditions has characterised the efforts of the Chinese leadership to gain WTO membership for China during the last years, but that was not evident when the efforts began 13 years ago. This background is different from that of most other countries. For them, it has primarily been the possibility to further the growth of their export industries that has been the main motive behind their efforts to gain WTO-membership. For China, this has not been the case. The approach of the Chinese leaders has been much broader.

During a CCP (Communist Party of China) congress in September 1997, Jiang Zemin was elected chairman and laid down the general policy outlines. During a (ninth) meeting with the Chinese People's Congress in a plenary session in March 1998, Jiang was elected president of China for yet another term. The Prime Minister Li Peng was transferred to the post as chairman of the National Assembly and he was replaced with Zhu Rong-ji, who has made his whole career on economic matters. Furthermore, the People's Congress established a "1-3-5-issue-programme", presented by Zhu, for the economic policy during the following five-year period.⁵⁴⁶

A person holding a high-ranking position in the Chinese administration has described the motives for the WTO-accession as follows:

- The conditions connected to the accession show that the membership is something much more than merely to ensure better export possibilities for China. They testify to China's determination to carry out even more comprehensive market-oriented reforms.
- The accession should also contribute to a freer and more law-abiding environment for economic activities in China. The structural and institutional changes that need to be made in order to fulfil the WTO-condition on free competition will not only ensure such treatment for foreign companies. It also creates better conditions for the domestic companies to grow.
- The accession is expected to create access to "global networks" in order to receive better and cheaper imported parts and components for the domestic industry, which is demanding more sophisticated products, with the latest technology.
- The accession is expected to increase the efficiency of the domestic companies by exposing them to foreign competition.

The basic motives are thus inherent in seeing the accession as a part of the economic reform work, with the aim to contribute to the reorientation towards a market economy presently taking place in China. It is intended to ensure the communist party a continued legitimacy by securing a continued favourable economic growth. Consequently, the WTO-accession becomes an important part of the leader's "Grand Strategy" for the future of China.

Taiwan's motives for becoming a member; the economic reasons

Comparing with China's motives, Taiwan appears as a more "normal" country. Taiwan is the world's twelfth largest trade nation and has billion-dollar trade with USA, Japan, Germany,

⁵⁴⁶ Sutter, Robert G. (2000a), *China: Recent Policy Priorities--Implication for U.S.: Interests and Policy Goals*, Washington D.C., Congressional Research Service. The Library of Congress, p 8.

France, Korea and others. Taiwan produces a number of advanced products, ranging from semi-conductors and computers to steel.

After WWII, “The Republic of China” (Taiwan) became one of the founders of a new world trade system called the General Agreement of Tariffs and Trade (GATT) on 21 May 1948. During the confusing year 1950, with the Korean War and an armed conflict with the People’s Republic of China (PRC) in the Formosa bay, Taiwan withdrew from GATT for several reasons. For a long period, neither Taiwan nor the PRC were members. However, as Taiwan emerged as a trading nation, the interest in GATT grew again and in 1965 Taiwan gained status as an observer.

In 1971, the situation grew more complicated when USA de-recognised “The Republic of China” and recognised the People’s Republic, which meant that Taiwan lost its status as observer in GATT.

After the PRC had joined the GATT multifiber-agreement, Taiwan resumed its efforts to become a member of GATT. In order to avoid a conflict with the PRC, Taiwan applied under the name “The Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu”. (Previously, in 1986, Hong Kong had become a member as “a special customs territory”, in spite of being a British crown colony, which could be invoked as a precedent.) A special working-group was formed by the most important trading nations to consider Taiwan’s application, and Taiwan regained its status as an observer at the GATT meetings. When GATT was transformed into the WTO, Taiwan’s application was transferred to the new organisation along with its observer status at the meetings.

Within the framework of this working group, Taiwan had closed bilateral agreements with all group members, including USA, EU and Japan, and Taiwan was consequently already treated as a most-favoured nation (MFN) by these countries before becoming a member. MFN-status with all other members is one of the most important benefits of a full WTO-membership.

As has already been mentioned, Taiwan is a particularly well-developed country, and in contrast to the PRC that tried to apply as a developing country, Taiwan applied as a developed country. In 1998, Taiwan had a GDP of USD 258 billion, making the country the world’s thirteen largest economy. The foreign trade amounted to USD 216 billion.⁵⁴⁷

This does not imply that the advantages of a membership would be insignificant for Taiwan; a membership would not necessarily cause any significant structural changes, and the costs of those that need to be made are modest. The total costs that a membership will imply for Taiwan are estimated to be considerably lower than the profits that can be made with the improved access to foreign markets, particularly in the developed countries. According to Taiwanese calculations, these gains will reach the level of billions of U.S. dollars.⁵⁴⁸

Taiwan is also a full member of the WTO since 1 January 2002.

⁵⁴⁷ Mastel, Greg (1999), *Taiwan in the WTO: An Economic and Policy Analysis*, Taipeh, The Center for National Policy, p. 1-3.

⁵⁴⁸ Wu, Wayne W. Y.(2000) *Background Information on Chinese Taipei’s Accession Process to the WTO*; letter to the author from the Director-General, Board of Trade Ministry of Economic Affairs, Taipeh, 2 October 2000.

Taiwan's political motives

For Taiwan, the political gains of a membership are important. For a long time, Taiwan has tried to create an international space of its own, despite the de-recognition from most countries in the world. Taiwan has made particular efforts to become a member of international organisations, and has succeeded in becoming a member of APEC and the Asian Development Bank. A WTO-membership would not necessarily require that all other countries recognise Taiwan, as a country – Hong Kong, for example, has already become a member. Nevertheless, a membership would mean an extension of the “international space” that Taiwan so desperately is trying to attain. The PRC, wishing to prevent everything that promotes Taiwanese independence, has periodically created obstacles for a Taiwanese membership.

The head of the Taiwanese WTO-delegation in Geneva, explained during a conversation with the author in October 2000 the motives for the application – being aware that he would become quoted – in approximately the following words (the notes were partly taken afterwards):

The application reflects a strong economic wish. Through its export successes, Taiwan has become increasingly dependent on access to effective trade agreements with other countries. Following the U.S. “de-recognition” of Taiwan and recognition of China in 1972, the negotiations became increasingly complicated – too often, the counterpart ceased to negotiate out of fear of complications in its relations with China. After President Bush in 1992 had declared the unconditional U.S. support for a Taiwanese WTO-application, following strong pressure from business circles in the USA, Taiwan could proceed, and merely by having put the application on the WTO-table, Taiwan was awarded entirely different and more beneficial conditions. Today, Taiwan is able to negotiate directly about bilateral trade agreements through the WTO forum. This has had a significant impact on the Taiwanese export-industry.⁵⁴⁹

Taiwan is a full member of the WTO since 1 January 2002.

History: The U.S. “clients” showed fast economic growth

During the post-war period, a development occurred in the economic field that apparently contradicted the expectations of the military security planners in China.

During the Korean War, USA **reversed** its immediate post-WWII-policy, which was intended to reduce the Japanese military-industrial potential. By contrast, in order to supply the allied forces in Korea, significant consignments were ordered from the newly emerging Japanese industry for the manufacturing of consumer goods. This marked the beginning of the remarkable economic reconstruction of Japan.⁵⁵⁰

⁵⁴⁹ Kiesow, Ingolf (2000) *Notes from conversations with Mr. Sheng-Chung Lin, Taiwan's representative at the WTO*, 16 October 2000.

⁵⁵⁰ Fairbank, John K., Reischauer, Edwin O., Craig, Albert M. (1973) *East Asia, Tradition and Transformation*, London, William Clowes & Sons, p. 824.

In the 1960s and 1970s, Taiwan received extensive aid from USA and the UN and was transformed from a feudal society into, first, a state-orchestrated developing economy almost in line with the old-time Japanese model, and, later, into an increasingly liberalised economy, but initially without any political liberalisation. During the same period, the industrialisation was initiated.⁵⁵¹

In the 1980s, Japan became “the second wealthiest country in the world” as it had the second highest level of GDP. South Korea recovered from the destruction it had suffered during the war and developed into an industrialised country faster than even Japan had done. Both Japan and South Korea became members of GATT and subsequently of the WTO.⁵⁵²

Other countries in Asia, like Malaysia and Thailand and later also for a while Indonesia, started to show a remarkably fast economic growth and a beginning development into industrialised nations. The effects of the globalisation contributed to this rapid growth of “the Asian Tigers”.⁵⁵³

As a consequence of the rapid development of the Taiwanese economy during the 1990s, the GDP in present-day Taiwan has reached almost half the level of the GDP in China.⁵⁵⁴ It should be noted that the population in Taiwan is only around 22 million people whereas the population in China is between 1.250 and 1.300 million people. As the economic liberalisation became almost complete in Taiwan, the democratisation process that had started in the 1980s was carried through as well.⁵⁵⁵ As a result of this process, the leader of the traditional party in power, the Kuomintang, lost his power in general elections in May 2000. Chen Shui-bien succeeded him as president of Taiwan; the leader of a party that does not claim that Taiwan represents all of China and that tends to favour “national independence”. The election was preceded by hints from Beijing that force would be used if the election “went wrong”, but this rather seems to have stimulated the voters to vote even more for Cheng-Shui-bien.⁵⁵⁶

⁵⁵¹ Pye, Lucian W. (1985), *Asian Power and Politics*, Cambridge (Massachusetts) and London, The Belknap Press of Harvard University Press, p. 228,

Maidment, Richard (1998), *Governance in the Asia-Pacific*, London, Alden, Oxford, Didcot and Northampton, p. 178.

⁵⁵² Maidment, Richard (1998), *Governance in the Asia-Pacific*, London, Alden, Oxford, Didcot and Northampton, p. 176.

⁵⁵³ Maidment, Richard, (1998), *Governance in the Asia-Pacific*, London, Alden, Oxford, Didcot and Northampton, p.189.

⁵⁵⁴ Mastel, Greg (1999), *Taiwan in the WTO: An Economic and Policy Analysis*, Taipeh, The Center for National Policy, p. 4.

⁵⁵⁵ Pye, Lucian W. (1985), *Asian Power and Politics*, Cambridge (Massachusetts) and London, The Belknap Press of Harvard University Press, p. 228,

Maidment, Richard (1998), *Governance in the Asia-Pacific*, London, Alden, Oxford, Didcot and Northampton, p.231.

⁵⁵⁶ *The South China Morning Post*, 16 mars 2000, *China Daily*, 24 mars 2000.

Chinese reforms and initial liberalisation

Mao Tse-tung's ascent to power in 1949, led to elimination of the old societal order in China. The Great Leap Forward in 1958 led to economic (and ideological) stagnation.

Mao Tse-tung died in 1976 and after some years, Deng Xiaoping emerged as the new leader of China. This entailed an ideological development; "The four modernisations" (among which Defence came last) and "socialism with Chinese traits". These are paraphrases of changes that make it possible to develop in the direction of a liberalised and capitalistic economic system. They also contributed to the beginning of rapid political liberalisation, including wall newspapers and student demonstrations.⁵⁵⁷

The events on Tienanmen Square in 1989 marked the end of political liberalisation in China. It has also marked the beginning of a period of repression followed that has still not come to an end.

Applications for membership of GATT and the WTO

Deng Xiaoping gradually withdrew from power during his last years (he died in 1992), but Jiang Zemin replaced him only after a long delay. For some time, Jiang Zemin remained weak in domestic politics, without any significant ideological platform, and he also remained dependent on the support from several sectors, not least from the military, in order to remain in control of the country.

The Asian crisis appeared in 1997. All Asian countries suffered from it, although the impact was less in China and Taiwan. However, even China experienced a decrease in economic growth, albeit this decrease had begun at an earlier stage and for partially different reasons.

The economic reforms, which were launched in China at the end of the 1970s, had a centrally orchestrated command economy as its starting point. In 1978, approximately three-quarters of the industrial production took place in state companies, according to central target dictates. One of the government's main tasks was to make China economically independent. Foreign trade was conducted almost exclusively in order to get access to commodities that could not be produced within the country.

When the central government started the reform process in 1979, the entirely collectivised agricultural sector became the first area for the reforms. Price incentives and private ownership was implemented in carefully measured doses, and market sales of agricultural products were allowed. Economic zones were opened in order to attract foreign investments, increase the export and import high technology from abroad. Measures aimed at decentralising the economic policy, especially concerning the trade, were carried out in several stages. Local and provincial authorities were given economic control over several companies that were permitted to operate and compete according to more market-oriented principles. Additional coastal areas and cities were declared open cities and development zones with authorisation to

⁵⁵⁷ Maidment, Richard (1998), *Governance in the Asia-Pacific*, London, Alden, Oxford, Didcot and Northampton, p.36.

offer tax, trade and other forms of relief in order to attract foreign investments. The price control was gradually abolished for a wide range of products. The government also tried to conduct a series of reforms in order to improve the efficiency of the state-owned enterprises (“SOEs”). This was done by abolishing the central production plans and by granting greater freedom to bosses and employees alike to run their own businesses.⁵⁵⁸

As time passed, the emphasis of the reforms was shifted to furthering the growth of the private sector. In 1992, the proclaimed goal was the creation of a “socialistic market economy”; in which the market forces would be increasingly decisive for the choice of production and price decisions, but in which the state would maintain the overall control of the economy, as well as over certain key sectors.⁵⁵⁹

Since the reforms began to be implemented, China has had record-high growth figures. The World Bank has calculated that these figures have contributed to lift 200 million people out of extreme poverty. By 1998, China had become the tenth largest trading nation in the world and the largest receiver of foreign investments, with only the United States receiving more.⁵⁶⁰

Private ownership as a prerequisite for WTO-accession

Laws admitting the existence of private companies and protecting them from government interventions did not emerge until 1988, but they were then made by a change in the constitution. In 1992, Deng Xiaoping announced that the economic reforms would be extended and that China would open up to the surrounding world. In 1998, private companies contributed by 38 per cent of the retail trade with everyday commodities and 19 per cent of the total production of the manufacturing industry. This development is presently gaining increased speed through closing-down of unprofitable state-owned enterprises and even through sale or redevelopment of state-owned enterprises into private companies.⁵⁶¹

Zhu Rongji became Prime Minister and the “economic tsar” in China in 1998. He completed Deng’s economic reforms and extended them considerably. They resulted in an accelerated economic growth within key sectors of society, but also in widespread corruption, unemployment in the cities and social unrest. As a consequence, Jiang and Zhu became even more dependent on support from the military, and political repression ensued against religious groups, Western influence and separatist movements in Tibet and Xianyang.

During the last ten years, China made considerable efforts to become a member of first GATT and since 1995 of the WTO. Hong Kong had been a member of the WTO since the start and

⁵⁵⁸ Sutter (2000a), p.2, Morrison, Wayne M. (2000), *The Growth of the Private Sector in China and Implications for China’s Accession to the World Trade Organization*, Congressional Research Service, Washington D.C., Library of Congress, 3 April 2001,p.1.

⁵⁵⁹ Morrison, Wayne M. (2000), *The Growth of the Private Sector in China and Implications for China’s Accession to the World Trade Organization*, Congressional Research Service, Washington D.C., Library of Congress, 3 April 2000, p.9

⁵⁶⁰ Sutter (2000a), p.2, Morrison, Wayne M. (2000), *The Growth of the Private Sector in China and Implications for China’s Accession to the World Trade Organization*, Congressional Research Service, Washington D.C., Library of Congress, 3 April 2000,p. 3.

⁵⁶¹ Morrison, Wayne M. (2000), *The Growth of the Private Sector in China and Implications for China’s Accession to the World Trade Organization*, Congressional Research Service, Washington D.C., Library of Congress, 3 April 2000, p.2.

had continued to be a member after the surrender to China as a “special administrative region” with the right to enter into bilateral international agreements on its own.

In the case of China, however, trade sanctions introduced by USA under the legislation about sanctions for crimes against human rights constituted a barrier. These issues were finally resolved. USA has adopted a law that gives China eternal treatment as a most favoured nation, without exceptions.

Unintended consequences: The reforms create short-term unemployment

Such broad economic reforms as the economic transformation that is currently taking place in China can obviously not occur without painful adjustments and pauses. On the contrary, it is rather surprising how much has already been achieved.

There have undoubtedly been painful experiences, not the least in connection with the relative decrease in economic growth caused by the Asian crisis for China as well, but even more so as a result of the accumulated effects caused by the changes. Some official figures may serve as an illustration. A Chinese research report revealed in August 1999 that two million jobs a year had been lost over the previous two years in connection to the closure of village and state owned enterprises caused by the introduction of required profitability. These companies had previously shown a tendency for expansion, creating almost ten million new jobs every year. Approximately 20 million jobs are now estimated to have been lost. In the cities, the unemployment level is estimated to be around 3.5 per cent and five million jobs are officially estimated (by the Minister of Labour) to disappear only because of the rationalisations and closure of state-owned enterprises. Unofficially, the number of jobs that is estimated to have disappeared for these reasons is estimated to a total amount of 30 million.⁵⁶² This has created a new category of people who are drifting across the country in search of new employment opportunities, but also creating social unrest. This should be seen against the background of an already strained labour market, in which government employees estimate approximately 200 million people to lack sufficient employment in the countryside, according to unofficial statements made. The equivalent guess for the cities is that around 80 million people are currently lacking adequate employment.

Even though under-employment has been a problem on the Chinese countryside since times immemorial, the present deterioration is so significant that it creates a potentially dangerous situation. In the cities, the problems are already clearly visible. As a consequence, President Jiang Zemin has emphasised the need to proceed slowly and that the reforms of the state-owned enterprises should proceed gradually and carefully.⁵⁶³

Unintended consequences: The regions react differently

The changes have affected the different regions very differently. The already rich and modern regions have increased their incomes and grow faster than before, in particular the southern

⁵⁶² *The South China Morning Post*, 3 August 2000

⁵⁶³ *The South China Morning Post*, 23 September 2000.

regions with the Guangdong region as the foremost example. By contrast, the inner regions are doing worse, with old “rust industries” and poor agricultural soil.⁵⁶⁴ Consequently, the Government has launched an emergency programme for the regions that have been left behind, which is likely to be very costly. Already in 1999, the underdeveloped regions already received 60 per cent of the total amount of state fund-financed investments and the share is predicted to continue on this high level.

Unintended consequences: Demonstrations and fights with the police

In places that have suffered especially hard there have been occurrences of illegal and violent demonstrations and sometimes-even real fights with the police force. Daily protests are staged in many parts of the country. In April 2000, around 20,000 unemployed people in Yangjiazhangzi were reported to have acted so violently that the People’s Liberation Army had to intervene and a series of similar incidents were reported in August the same year from several parts of the country.⁵⁶⁵ In preparation for the celebration of the national commemoration day on the first October 2000, the Minister of Security announced drastic measures. More than 600,000 people were reported to have been mobilised in order to ensure the security across the country and according to information that was derived from the authorities, 16,000 persons were arrested prior to the celebrations. This indicates a considerable nervousness on the part of the political leadership.⁵⁶⁶

Unintended consequences: Repression

The almost unnatural fear by the leadership for religious, ideological or any other organisations and associations that can be viewed as not obeying directly under the state, must be seen against the background outlined above. The internationally most well known example is the attempts to wipe out the Falun Gong movement. In spite of the presence of a massive police force, they managed to disturb the National Day celebrations on the Tienanmen Square in Beijing with more than a hundred demonstrators. The movement rather seems to have grown stronger after the beginning of persecution. Other religious groups, Christian and Muslim groups in particular, have also become subject to similar intervention. In addition, independent writers, newspapers, journals, web sites and other sources that can be suspected to contain unauthorised ideas have become subject to increased control and interventions.⁵⁶⁷

As early as in November 1999, the Central Committee of the Communist Party issued a circular on “Three points of emphasis” in line with an earlier started ideological campaign among party officials, with the aim to “study”, “emphasis the politics” and “ensure a healthy atmosphere”.⁵⁶⁸ In connection with the PRC 50-years jubilee in October last year, some efforts were made to start a new personal cult around Jiang Zemin, but that campaign was slow to pick up pace. Finally, a decree has been issued within the party that party cells will be set up

⁵⁶⁴ *The Hong Kong Standard*, 21 September 1999, *The International Herald Tribune*, 31 March 2000

⁵⁶⁵ *The Hong Kong Standard*, 4 April 2000, *The International Herald Tribune*, 6 April 2000.

⁵⁶⁶ *The Hong Kong Standard*, 21 September 1999

⁵⁶⁷ *The Hong Kong Standard*, 19 September 1999.

⁵⁶⁸ *The South China Morning Post*, 28 April 1999

at all companies in the country, that is, even in the private companies, “as a means for the country to run the modernisation campaign in China”.⁵⁶⁹

Unintended consequences: Opposition against the reforms provokes nationalism

For a while, even the fate of “the economic tsar” seemed to be at stake; it was rumoured before the annual meeting with the party cadre leaders in 1999 told that the power of Zhu Rongji would become considerably reduced. Even if a major change never occurred, it was evident that he had been subject to an attack from conservative elements that try to steer the development away from the economic reforms.⁵⁷⁰

From an international security policy perspective, another phenomenon is probably even more significant: In connection with the unintended bombing of China’s embassy in Belgrade, as well as before the presidential elections in Taiwan, some leaders have struck a nationalistic tone that is simply xenophobic. Even though the reason is supposed to be a way for the leaders to gain confidence and support from the military, the strength of the mass demonstrations against the embassy bombing seem not only to have taken the surrounding world with surprise, but also the leaders themselves. This could indicate that the reforms have led people to believe that it is the globalisation that is the cause of the problems that have followed from the reforms. “The Say No Club” is not an association but rather a current among intellectuals. It can be seen as an expression of these ideas. It is symbolised by the catch phrase “China can say no”, derived from a book title and directed against the negative side of globalisation. It is an ideological current that has met with much opposition, but its existence must nevertheless worry the leaders.⁵⁷¹

This discussion seems to lead to an important conclusion; there is a risk that the economic development could make too little progress, or the unemployed could get impatient enough and start to organise. If this happens, it is not very probable that any higher degree of internationally inspired democratisation or prospects for influence in the society would top the agenda. On the contrary, it is more likely that a xenophobic current of ideas gets the upper hand, a current that is hostile toward foreigners, nationalistic and, in the worst-case scenario, militaristic.

For the moment being, the prospects do not seem to be so gloomy; China’s economy has shown clear indications that the country is recovering from the Asian crisis, even if it is a small recovery. It is, however, also too early to claim, either that it is the reforms that have contributed to this positive result, or that the social consequences of the launched reforms are becoming easier to bear. The danger that anger over the consequences of the reforms can become “externalised” is not over yet.

⁵⁶⁹ *The South China Morning Post*, 2 October 1999, *The International Herald Tribune*, 3 March 2000. *The South China Morning Post*, 16 May 2000.

⁵⁷⁰ *The Hong Kong Standard*, 16 September 1999, *The South China Morning Post*, 5 September 1999, 1 June 2000 and 2 August 2000.

⁵⁷¹ *The Far Eastern Economic Review*, 13 January 2000.

Information Technology plays a basically neutral part

China is currently in the process of gaining access to information technology at a pace that has drawn attention abroad. One part of the explanation for this can be found in the relatively high level of literacy in China, as compared with other developing countries. Another plausible explanation is that it has resulted from a deliberate campaign from the centre. In addition, the increasingly important private sector has seen the advantages offered by Information Technology.

In the West, the influence that the information technology has had on Chinese society is often related to the perception that a revolution could take place in China as a result of foreign ideas brought into the country by Information Technology. This is probably an exaggerated expectation. Firstly, even though it is true that the Chinese authorities are struggling with difficulties in maintaining their monopoly on the flow of information, they are nevertheless becoming more successful in their attempts to control this flow than most outside observers previously have imagined being possible. China is developing impressive information warfare ability. Information is no longer pouring in and spreading to the same extent as during the initial stages.⁵⁷²

Secondly, it is only the modern intellectual Chinese elite that is somewhat receptive to western ideas of “spiritual freedom” and “the right of the individual to make his own decisions”. A very large part of the Chinese population live outside the urban areas. It does not seem likely that a revolution of a magnitude that could challenge the PLA or make it betray the Communist Party could occur without participation from the countryside population. In order to make the poor countryside participate in a revolution it would probably be necessary to use catch phrases such as “the dictatorship of the proletariat” or phrases that are nationalistic or xenophobic. Cries for democracy are unlikely to do the job.

So far the role of Information Technology that has been dangerous for the central power has mainly consisted of spreading knowledge about and revealing local corruption, power abuse and environmental crimes. Such information undoubtedly creates discontent among the population that could threaten the communist party locally and possibly even the central power at a later stage. It seems, however that it is too hasty to draw the conclusion that such discontent would lead to demands for a western society with full democracy and human rights.

At any account, Information Technology has not become a problem associated with the question of China’s accession to the WTO. The Chinese authorities have not made efforts to narrow the commercial channels for the flow of Information Technology into China, they have rather encouraged that flow as beneficial to the country.

The implications of a WTO-membership for the most important sectors

Agriculture is the economic sector that is least compatible with the WTO. In this context, it needs to be remembered that among the five reforms that shall be carried out during the five-year period following the decision in the People’s Congress in 1998, a structural change of the

⁵⁷² Stokes, Mark A. (1999), *China’s Strategic Modernization: Implications for the United States*, USA, p. 27.

grain trade has the highest priority. Trade is uneconomically organised, and the grain prices in China are estimated to be 40 per cent higher than world market prices. The reforms are consequently necessary – and already in progress – even without a WTO-accession.

Other countries have used financial subsidies and protectionist measures in connection with their WTO-accessions, but the Chinese policy is different. The farmers are left to meet their own needs, with the state only contributing with “encouraging” measures, but without any direct contributions or support.⁵⁷³

However, in connection with the WTO-accession, some (unspecified) measures should be taken, according to a Chinese research report, and a special policy should be worked out in order to meet such consequences as “market risks, unemployment and security risks” following the accession. The key word is “a balanced treatment of the relations between protectionist measures and opening up”.⁵⁷⁴

The agricultural sector will become more market oriented, with increased diversification of the cultivation and better use of resources in the form of both land and water, but it is uncertain how well the rural population can manage, when going through this transition.

The customs on agricultural products will be lowered from almost 25 per cent to slightly more than nine per cent in the year 2005 and all quotas for agricultural imports will be abolished. Between 100 and 150 million people have already left the rural areas and the surplus of labour in the countryside is estimated to 200 million people. The foreign competition that will follow from the WTO-membership will increase this migration process significantly, with subsequent social consequences.

Manufacturing of vehicles is the manufacturing sector that is organised in the least WTO-compatible manner. The quota level for car imports are between 80 and 100 per cent and will be decreased to 25 per cent over a six-year period. Other protectionist trade barriers will also be abolished, for example the present price control system, which favours the domestic brands.

There were in the year 2000 more than 130 domestic vehicle factories in China. Most of these are very small (only three of them have a capacity of more than 200,000 vehicles a year), they are inefficient and they produce low-quality cars. Around 40 per cent of the production capacity is not used. A Chinese think-tank has estimated that as many as half a million employees in this sector will lose their jobs within a number of years.

Distribution and the retail trade will probably be the sector that is hardest affected by the foreign competition in immediate connection with the WTO-accession. Even if a number of drastic changes have already been made and the competition has increased, foreign companies have so far been barred from operating in the sector, at least with marketing of products that were not manufactured in China. Now, both wholesale and retail trade will be liberalised over a three-year period. Furthermore, the restrictions on department store areas and geographic localisation will be lifted. This will also apply for maintenance, reparations, transports and

⁵⁷³ China's Entry into the WTO and the Impact on Hong Kong Business, January 2000, Hong Kong, General Chamber of Commerce.

⁵⁷⁴ *The Research Report on China's Entry into WTO - the Analysis of the China's Industries* (2000), Beijing, Social Sciences Documentation Publishing House, Chinese Academy of Social Sciences.

express delivery, letting and leasing, air courier business, stock keeping, advertisements, technical samples and the packing industry. This is primarily the result of the agreement with USA, but the benefits will apply to the other WTO-members as well.

At present, all these activities are being carried out with old-fashioned methods or not at all. When new companies have established these new services, the terms of trade will be affected and many obsolete companies will be forced out of business.

In principle, the banking sector will be opened completely in the sense that American, and consequently also other foreign banks, will be given national treatment within five years, but it is not fully evident to what extent the restrictions will continue to apply for the foreign banks. The Services Sectoral Classification list that was put together during the Uruguay talks is expected to be used, but it is hard to predict how this will be handled. Several rounds of negotiations are expected to be necessary also after the accession. Foreign banks can already operate in China to some extent, but there are circumstances that make profitability difficult. Calculation of risk at money lending is very difficult, the rules are complicated and not coherently applied, and the authorities favour Chinese banks.

The insurance sector has mainly been reserved for domestic companies, with the exception of some businesses in Kanton and Shanghai, but only in joint ventures with Chinese companies approved by the government. A Financial Services Agreement from 1997, prescribing a considerable access for foreign companies, is part of the WTO-package. Furthermore, USA has managed to obtain promises from China to permit foreign companies with operations in China to carry on group, health and pension insurances within five years, as well as the right to own 51 per cent of the share-capital in Chinese companies within one year. (The agreement with EU has introduced some additional opening measures in this sector.⁵⁷⁵)

The petrochemical industry and the oil industry can count on some continued protection. Lowering of customs and abolishment of quotas could have shock-effects on this strategically important industry.

The textile industry is expected to make large profits. This is important since a huge work force is employed in this sector. Profits are expected since the quotas most countries have, or have had, on Chinese textiles will be gradually removed. The Ford Foundation has estimated that the textile exports will increase by 60 per cent and the export of clothing by 200 per cent.

The steel and engineering industries have already been deregulated and have become competitive to a degree that they are deemed able to meet the WTO-accession with a certain confidence. However, some of them are likely to get problems with the lowering of customs fees and the abolishment of import quotas. Some production facilities will be forced out of business, while the profits will be obvious for others.

The consequences for the IT- and telecommunications industries of the WTO-accession will also be mainly positive, even though some companies will have problems with the exposure implied by the WTO-membership, also in this case mainly caused by the removal of customs

⁵⁷⁵ Beseler, Hans-Friedrich (2000) *Speech about China's Entry into the WTO-Expectations after long negotiations*, 16 December 2001, Brussels. (Dr. Beseler was the Chief negotiator for the EU team during the EU negotiations about China's entry).

fees and import quotas. In this sector, however, the domestic industry is so far developed that the country will receive immediate advantages from the modernisation.

Chinese optimism in contrast to certain foreign – and domestic – scepticism.

The Chinese research institute quoted above ends its analysis of the consequences of the WTO-accession with the conclusion that China, as a major developing country, ought to apply a long-term, open and independent model of development, decided by the conditions to which it is subjected.⁵⁷⁶

In contrast to these optimistic formulations, there exists a widespread foreign scepticism about the Chinese capability to meet all the new demands. It could be necessary to review hundreds of laws and edicts and it might be assumed that even though Beijing is totally determined to carry out the changes, the observance of the local authorities may be less than perfect. China's implementation of rules in the trade area has not always been particularly impressive. It is possible that some people in China have not yet realised the extent of the commitments that have been made.

Many people in America have shared this view. A special working-group has been formed in the Department of Trade, with the only task of monitoring the Chinese implementations of the rules and sound the alarm in case of possible deficiencies.

One negative consequence is that the WTO-accession will affect the economy of Hong Kong. The economic modernisations in China have already meant that most of the manufacturing industry has moved from Hong Kong to China – five million people are presently estimated to be employed in Hong Kong-owned companies, primarily in South China. Banking, finance, transportation and other industries employ more than 80 per cent of the population in Hong Kong. This is partly possible because of Hong Kong's role as a "gateway" to China. This competitive advantage has been reduced by the WTO-accession and should be compensated. The Hong Kong government has prepared a package of counter-measures, for example in order to improve the competitive position of IT-companies and the educational level of the Hong Kong population in the field of IT as well as their language abilities. Measures to tie the flow of commodities closer to Hong Kong's port and airport are also under way. These are long-term measures, however, and a temporary decline of the Hong Kong economy may be unavoidable. There are already some signs of a downturn.

Taiwan, WTO, investments and the trade with China

How can two countries with such difficult daily relations as China and Taiwan fit into the system of WTO-rules?

Is it at all realistic to admit both of them? Will it not bring dangerous problems for the organisation?

⁵⁷⁶ *The Research Report on China's Entry into WTO - the Analysis of the China's Industries* (2000), Beijing, Social Sciences Documentation Publishing House, Chinese Academy of Social Sciences, p. 17.

Daily discord between China and Taiwan can be illustrated by an agreement reached with the WTO General Secretary that China shall refrain from opposing the designation of Taiwan as

“The Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu”.⁵⁷⁷

This compromise has been attacked with regular intervals by mainland media.⁵⁷⁸ It used to be said that Taiwan would only be able to become a member as a part of the People’s Republic of China and only after having abolished the prohibition of direct trade with and postal service and transports to China. Even if these statements were not followed up by practical politics in the WTO, their mere existence nevertheless created a certain concern about the actual Chinese intentions about the Taiwanese WTO-admission.

Some of these restrictions were alleviated by Taiwan in advance of the accession to WTO as a separate entity on 1 January 2002, but much of them still remain today.

There are two questions that have caused problems and uncertainties before the accession, namely the denomination issue and the possibility that Taiwan would plead non-application against China (article XIII). The question is what happens now, **after** the accession of China and Taiwan.

Firstly, it can be noticed that the Taiwanese government used to declare that it aims to follow the principle “no haste, have patience!” According to the spokesman (a government minister) this would imply that they would partly lift the restrictions presently surrounding the trade with China, but in such a manner as to prevent a too sudden enlargement of the investments in China. There have also been statements that this formulation is no longer being regarded as a proper expression of the policy of the Government of Taiwan.⁵⁷⁹

Secondly, there is a reference in the agreement on the establishment of the WTO to a “Dispute Settlement Body” (article IV) together with rules of conflict solution, and there is a whole set of rules for this purpose in annex 2 of the Agreement.

For the cases that have not been able to solve in any other way, there is also a special mechanism for so-called Waivers (article IX). According to this system, a member can require exceptions from the obligation to fulfil all the obligations inherent in the set of rules against another specified member. It is a long and complicated process – in reality, very long – but it fills the need to allow parties with divergent opinions to take part in the organisation – even if it is only under certain circumstances and on single issues. The mere existence of the mechanism has a certain deterrent effect, both on the trouble-making party and on the party wishing to use the mechanism. It is very rarely used in practice.

Furthermore, there is a general rule in article XVI, according to which any country against any part of the WTO-charter can make no reservations. This means, for example, that a country is not permitted to boycott trade with another member country for political reasons. Chinese institutions have sometimes used boycotts against Taiwanese products, both officially declared and not declared. This practice will not be allowed any more, after January 2002.

⁵⁷⁷ Press release from China's Representative at the WTO, Geneva, 28 September 2000.

⁵⁷⁸ *The Hong Kong Standard*, 7 June 2000.

⁵⁷⁹ *TaipeiReview*, (Editorial) January 2002.

Apart from these examples, the system does not build on supranationality or detailed regulations, but on a continued exchange of benefits and on self-discipline in order to maintain these benefits. Such a system is sensitive to arrogance by an economically influential and powerful state. The WTO-predecessor, the GATT, suffered from continued problems when Japan (and some other states) refused to fulfil the obligations they had made.

It can become a problem to make China and Taiwan follow the basically rather strict rules in their bilateral relations. In particular, China will have to stop referring to “non-interference in internal issues” when another country (also when this country is Taiwan) wishes to call attention to a problem. There has already emerged a dispute with Japan over farm produce.⁵⁸⁰ Whether this will be settled in an orderly way is watched with great interest, since it may be an indicator of how China will act within the organisation in the future. There is much hope that a WTO-membership will decrease the tendency to conflict between the China and Taiwan, since the WTO-benefits will be very important to them in their day-to-day bilateral relationship.

An area that can contribute to a reduction in tensions between Taiwan and China in the everyday relation is investments. During the last 20-year period, after Taiwan and China took up bilateral trade relations again, the volume of trade has increased with an annual average of 36 per cent.

The rate of investments is not less impressive and both China and Taiwan will be obliged to adhere to the WTO-agreement on trade-related conditions of investment against one another. As the name implies, the agreement refers to trade-related conditions of investment and not to the actual investments, i.e., it bans discriminating treatment of exported and imported products as a result of the investments.

At present, the investments basically move in only one direction. The Taipei Office of the Swedish Trade Council reports that “exact figures on the Taiwanese investments in China are difficult to obtain, since most of the investments are made through a third country: Hong Kong, Singapore and other places. Approximately 43,000 Taiwan-sponsored projects are reportedly registered in Beijing. According to Chinese figures, these Taiwanese investments reach a value of USD 43.59 billion, of which investments to a value of at least USD 24 billion have already been carried out or initiated. According to Taiwanese statistics, most of the country’s foreign investments still go to China, despite the official policy to move slowly and spread the investments to other countries as well. More significant investments on infrastructure and high-technology can not be made without approval from the Taiwanese government and most of them have been turned down during the last years.”⁵⁸¹

It can be added that Hong Kong is the largest source of foreign investments in China. According to the Hong Kong Chamber of Commerce, in 1998, Hong Kong had invested a total amount of USD 105 billion in China over the last ten-year period. Of these, a considerable but unknown amount has come from Taiwan unofficially, through investments in Hong Kong companies that have later invested in China. The role of Taiwan in China’s capital imports is thus probably even more important than it appears in the official Chinese

⁵⁸⁰ *China Daily*, 20 December 2001.

⁵⁸¹ The Swedish Export Council, Taipei Office (2000) Fax Report 2 June 2002.

statistics. This may in the long run have a softening influence on China's attitude toward Taiwan, but it may also be used to pressure Taiwan in the reunification issue.

Observations and conclusions

The sixteenth congress of the Communist Party of China will take place in September 2002. At this time, re-elections will be held to the post of Secretary General and to other leading posts. These elections will also decide who will rule the country. Jiang Zemin has declared that he will not run for re-elections. It seems as if he has planned to withdraw gradually and, like his predecessor, keep some key post as a base for his continued influence on politics – for example the post as chairman in the military committee. He has already been able to have a person appointed as vice president, who reportedly stands close to him, that is the former party secretary in Tibet, Hu Jintao. An additional number of appointments made during the last years have strengthened the theory abroad that he is preparing for a position like that of Deng Xiaoping after his formal retirement.

Prime Minister Zhu Rongji has not had persons close to him elected to prominent posts to the same extent. Neither has he shown any visible sign of striving for more power. Even if differences of opinion seem to have occurred quite often between him and Jiang concerning the economic policy, and they do not longer seem to be on particularly excellent terms with each other personally, there are no signs that they are trying to oppose each other concerning the fundamental features of the reform policy or that there is a struggle for power going on between them. They seem, however, to have everything to gain by the reform policy becoming as successful as possible before the party congress in 2002 and by having a new team of leaders, who are willing to continue the same policy-line. Jiang and Zhu are both bound to work for the fulfilment of the reforms, even after the year 2002.

The WTO-accession is a part of a “grand strategy”, a long-term plan to reform the Chinese society. The foundation shall be laid for an economic system that is based on market forces and is opening up toward the globalised outside world. A large part of this work has already been done and has already had a significant impact on the Chinese society.

The reforms are necessary merely to maintain the present economic standard of the population. They are intended to guarantee the continuation of a positive economic development. This is necessary for upholding the legitimacy of the present regime.

The WTO-accession can be seen as a symbol for the fulfilment of the reform work and it entails systematisation of a number of reforms of importance to the opening of China, but also for the institution building and the legislation work that is a consequence of the WTO-accession. In addition, the accession can be helpful to the Chinese leaders in providing a platform for concluding their reform work.

The reforms make China increasingly dependent on the outside world. The Chinese WTO-accession is consequently of such importance for the rest of the world that it deserves attention and energy on government level in all WTO-member states. It will not be an easy task, and it will be a complicated process.

China could come to increasingly accept multilateral agreements as an instrument for troubleshooting. There is one factor that has already been mentioned several times that may be of major importance. China has a thousand year-old history of treating their neighbouring countries as vassals by force of the “superior” Chinese culture. China has consequently never wanted to accept international attention to problems with neighbouring states, and even less to discuss any solutions within multilateral frameworks. It has been rather pointless to have discussions with China on (the rarely outspoken) doctrine to consequently insist on bilateral solutions (in which China is in a favoured position to exert pressure and impose its preferences on the smaller counterpart). This habit has remained by and large uncontested also in economic matters.

Nevertheless, such an attitude is becoming more dangerous and destabilising in the pattern of today’s international relations. It is thus a very significant development that the leadership of China by themselves initiate enforcement of legal procedures for Chinese business transactions and stress adherence to the law in connection with the economic reforms. Contracts have traditionally not been easy to enforce in Chinese business practice until now and the regulations have not been compatible with international praxis and business codes. The combined impact of this harmonisation work, especially in connection with the WTO-accession, is lessening the daily tensions between China and other countries and promotes security in China’s neighbourhood as well as better relations with other countries in general.

Human rights have been seen by China as a pretext for USA to interfere in Chinese internal affairs and to weaken the country. The Chinese regime seems seriously to believe that this is an American ambition. They talk about possible U.S. interventions in Tibet, Taiwan and Xienyang in order to split China under the pretext of protecting the oppressed people in these areas. They draw parallels to Bosnia, where they feel that the U.S. intervention lacked legitimacy. The habit of the American Congress to discuss issues of Chinese Human Rights has upset the Chinese leadership. The tendency to use trade sanctions has been perceived as particularly humiliating, and as something belonging to the gunboat diplomacy of olden times. Against such a background, it is a significant development for the Chinese leaders that the U.S. Congress has decided to deprive itself of this possibility. It did so, when it voted for a permanent most-favoured-nation treatment of China in order to make the U.S.-Chinese trade relationship compatible with the WTO-rules. This event can be seen as a major confidence-building move.

U.S.-Chinese relations have at times been so strained they have been a threat to world peace. China’s relations with Taiwan are behind the most dangerous elements in the U.S.-Chinese relationship. The WTO will help China and Taiwan solve their problems in day-to-day economic transactions. These contacts will facilitate an improvement in the relations between China and Taiwan and make them more natural and more frequent. That can only be beneficial to stability and peace.

CHAPTER TWO: The way strategists and military planners see the situation in the western pacific

The Chinese perception of American intentions

Chinese publications on military matters usually do not reveal much long-term intentions. Occasional statements have to be relied upon to a certain extent and conclusions be drawn from indirect evidence. Some such evidence of a general Chinese suspicious and reluctant attitude toward continued American military presence in the Western Pacific has been mentioned in the foregoing chapters.

When, for instance, George W. Bush was elected as President of USA in November 2000, *China Daily* said in an article that this would lead to a deterioration of the security situation in the region. If Washington put Taiwan in the proposed Theatre Missile Defence System, not make clear its Taiwan policy, not reduce weapons export to the island and not shelve its military balance policy, the U.S. might be dragged into military clashes.⁵⁸²

The Taiwan issue was much seen in connection with that of the proposed American Ballistic Missile Defence System. U.S. Defense Secretary Rumsfeld outlined a policy with broad shifts away from Cold War planning for a major war in Europe to a military strategy with increased emphasis toward Asia.⁵⁸³ Signals from Beijing were overwhelmingly negative. In March 2001, China announced that it would increase the budget for defence by 17,7 per cent, its biggest expansion in real terms in the last 20 years.

Foreign Minister Tang Jiaxuan said that if the U.S. side insisted on selling advanced weapons to Taiwan that would send a very wrong signal.⁵⁸⁴ These warnings even came from President Jiang Zemin.⁵⁸⁵

Events in April and early May 2001 put more strain on U.S.-Chinese relations.

When the Chinese fighter plane collided with an American surveillance plane over the South China Sea. International experts on China believed that the incident was used by the PLA to boost its political clout by forcing the face-off with USA over its security role in East Asia.⁵⁸⁶ Chinese military journals carried nationalistic articles, and nationalistic sentiments were widespread in China.

President Bush decided on 23 April to approve the sale to Taiwan of all items on a list that included almost everything Taiwan had asked for, with the exception of four Aegis-class destroyers with BMD capacity.⁵⁸⁷ China expressed serious concern, saying it strongly opposed the sale of sophisticated weapons to the island. "China reserves itself the complete right to take further actions", said Foreign Ministry spokeswoman Zhang Qíyue.⁵⁸⁸

⁵⁸² *China Daily*, 5 January 2001.

⁵⁸³ *Japan Times*, 25 March 2001.

⁵⁸⁴ *International Herald Tribune*, 25 March 2001.

⁵⁸⁵ *International Herald Tribune*, 23 March 2001.

⁵⁸⁶ *South China Morning Post*, 10 April, 2001

⁵⁸⁷ CNN News Service, 23 April 2001

⁵⁸⁸ BBC News Service, 24 April 2001

A statement in a television interview by President Bush on 25 April, wherein he confirmed that USA had an obligation to defend Taiwan with "whatever it takes", followed the arms sale decision. Comments from China were strongly critical.⁵⁸⁹ The director-general of arms-control and disarmament at the Ministry for Foreign Affairs threatened to retaliate by curtailing China's co-operation in the effort to stop the spread of advanced weapons.⁵⁹⁰

American perceptions of Chinese intentions

Whether these statements reveal a long-term militant opposition against the U.S. military presence in the Western Pacific and plans to remove it is a matter of much speculation in USA.

- First, occasional outbursts of nationalism by large masses of the Chinese population testify to the strong undertone that Chinese foreign and security policy must have if it wants to reflect the ambitions of the nation. Such outbursts even tended to get out of control by the authorities in 1999, when American aircraft hit the Chinese Embassy in Belgrade with bombs during an air raid, according to the American statements without knowing that the Embassy was located in that building.⁵⁹¹ Actually, the strength in the growth of nationalism is one tendency of the 1990s that was completely unanticipated by commentators abroad and especially in USA, where researchers and commentators were taken aback when many students and intellectuals criticise the United States, sometimes in extremely harsh language.⁵⁹²
- The second problem is whether the Chinese leadership is under some pressure from the military. Here, the answer seems to be yes. This is, for instance, evidenced by observations of the manoeuvring PLA Navy leaders. In a study at the U.S. Naval War College, quotations from PLA Navy leaders and other documentation is used to support the thesis that the Chinese Navy since long has been using China's claims to the South China Sea in an effort to influence decision makers in Beijing. They have done so in co-operation with other nationalistic oriented circles. They do it on order to ensure that China responds in a forthright manner to encroachments in the South China Sea. Since "encroachment" means using areas that now form part of other nations' claimed economic zones, there are elements of militarism having an influence on the Chinese decision making process.⁵⁹³
- Third, there is evidence that supports the conclusion that the leadership is resisting that pressure. The Rand Corporation has made a thorough study of China's Grand Strategy in order to identify the major features of the strategy and the major factors driving it and assess how the strategy will be likely to evolve in the future.⁵⁹⁴ The report draws the

⁵⁸⁹ *China Daily*, 30 April, 2001

⁵⁹⁰ *South China Morning Post*, 28 April 2001.

⁵⁹¹ *South China Morning Post*, 15 May 1999.

⁵⁹² Fewsmith, Joseph (2001) *Statement to the House Subcommittee on East Asia and the Pacific*, 25 April, http://www.house.gov/international_relations/lard0425.htm, accessed 21 September 2001.

⁵⁹³ Studeman, Michael (1998) *Calculating China's Advances in the South China Sea Identifying the triggers of "Expansionism"* U.S. Naval War College, www.nwc.navy.mil/press/Review/1998/spring/art.sp8.htm, accessed 21 August 2001.

⁵⁹⁴ Swaine, Michael D. and Tellis, Ashley J. (2000) *Interpreting China's Grand Strategy: Past, Present and Future*, <http://www.rand.org/publications/MR/MR1121>, accessed 13 June 2001.

conclusion that growing Chinese power will most likely result, over the long term, in a more assertive China, but then it says the following:

“The engagement of China should not be policy prescription to assist the growth of Chinese power so that it may eventually eclipse the United States, even if peacefully. Rather, engagement must be oriented toward encouraging a more co-operative China, whether strong or weak, while also preserving U.S. primacy in geopolitical terms.

The U.S. effort in this regard arguably will be facilitated if China becomes a democratic state that is more fully integrated into the international order and less inclined to employ military means”.⁵⁹⁵

The assessment is interesting, and so is the conclusion. It does not seem likely that China will collaborate toward that goal. China is not likely to ever graciously accept American primacy – but it may try to make use of an American forthcoming attitude in trade and development matters like the WTO. A leading article in the *China Daily* a few days before the arrival of Secretary of State Powell in Beijing said that Sino-U.S. relations should enjoy smooth sailing despite some lingering clouds now that the difficulties of the past six months are largely past. A Chinese security policy expert was quoted saying that the American goal is to contain China in the military field and to co-operate on bilateral economic issues. The rapid growth in trade with the United States was stressed and the article was concluded as follows: “That’s proof that handling existing differences properly and ensure sound Sino-U.S. relations will benefit all.”⁵⁹⁶ It certainly seems that the Chinese leadership was well aware of American assessments and strategies and wished to make use of the opportunities they could bring.

- Fourth, there is, on the other hand, much evidence that the leadership is serious in its ambition to incorporate Taiwan with the PRC. For several scores of years, the Chinese leadership has been talking about the humiliations suffered by China under colonial powers in the last two centuries and Taiwan is regularly mentioned in this context. A 2001 staff report to the U.S. Senate Foreign Relations Committee said that

“China’s build-up is accompanied by ever more threatening rhetoric toward Taiwan, which reflects the growing importance the Chinese place on “reunifying the motherland” by absorbing Taiwan. This is evidenced by: China’s February 2000 White Paper, in which it asserted another, new yardstick for the possible employment of force against Taiwan (that being if Taiwan merely delays reunification talks for too long); Jiang Zemin’s November 2000 statement that “It is important to step up preparations for a military struggle so as to promote the early solution of the Taiwan issue. To this end it is necessary to vigorously develop some “trump card” weapons and equipment.” And People Liberation Army (PLA) Chief Zhang Wannian’s November 2000 statement that war between China and Taiwan was inevitable by 2005”.⁵⁹⁷

⁵⁹⁵ *Dire Strait?* (2001) Rand Corporation
<http://www.rand.org/publications/MR/MR1217>, accessed 20 September 2001.

⁵⁹⁶ *China Daily*, 28-29 July 2001.

⁵⁹⁷ *U.S. Defense Policy toward Taiwan: in need of an overhaul. A staff report to the Committee on Foreign Relations United States Senate One Hundred Seventh First Session April 2001*,
<http://frwebgate.access.gpo.gov/cgi?dbname=107.con-senate-committee.print&docid=F:71658.wais>, accessed 21 September 2001.

- Fifth, there is likely to be American resistance against any Chinese effort to take Taiwan with military means within the foreseeable future. In the 2000 report to the U.S. Congress pursuant to the Taiwan Relations Act, the Department of Defense states that

“Our goal would be that Taiwan defend itself without outside assistance – or, as a fallback, that it defend itself long enough to permit outside assistance, and that the combination of Taiwan and U.S. forces defeat a PLA attack on Taiwan, should the U.S. decide to intervene”.⁵⁹⁸

The meaning of the last sentence may have become somewhat clearer in next year’s debate on this issue. Summing up the American Taiwan policy in an opening statement for the House of Representatives Subcommittee on East Asia and the Pacific, Committee Chairman Leach stated that

“Taiwan is, of course, the most sensitive issue in U.S.-China relations. It has long been my view that the concepts of independence and self-determination, which are virtually synonymous in most parts of the world, are in juxtaposition in Taiwan. Taiwan can have a maximum degree of self-determination if it does not declare independence. If it declares independence, it will have no self-determination. On the other hand, the Taiwan Relations Act, as well as basic judgment binds us, to help ensure that the status of Taiwan is not changed by force...

In this context, the U.S. should continue to provide sufficient defensive weapons to Taiwan and maintain our capacity in the Western Pacific to resist any coercion of Taiwan by Beijing”.⁵⁹⁹

- Sixth, some acquisitions recently support the theory that China is trying to deploy the capability to forestall U.S. intervention. Aircraft carrier battle groups have been the most obvious rapid response from USA in times of crisis in the Taiwan Strait, used on three occasions. China now has ordered two Sovremenny-class destroyers from Russia, of which one has been delivered. This type is equipped with an anti-ship cruise missile-system that poses a serious threat to any aircraft carrier or other naval vessel. It means that before any intervention by U.S. carriers, the U.S. Navy would have to eliminate the Sovremenny destroyers, which would mean a substantial increase of the level of risk for intervention up to the level of real military confrontation.⁶⁰⁰
- Seventh, there are signs that China has a will to challenge the American military presence in the Western Pacific in the long-term perspective as well and that this is the perception of important American analysts. The Rand Corporation report, that was mentioned earlier, draws the following conclusion:⁶⁰¹

⁵⁹⁸ Report to Congress Pursuant to Public Law 106-113, <http://www.defense.mil/pubs/twstrait12182000html>, accessed 21 September 2001.

⁵⁹⁹ *U.S. Foreign Policy in East Asia and the Pacific: Challenges and priorities for the Bush Administration (2001)*, Washington D.C., Hearing before the Subcommittee on East Asia and the Pacific of the Committee on International Relations House of Representatives, 12 June, <http://www.house.gov/international-relations/ap/ap2hear.htm>, accessed 20 September 2001.

⁶⁰⁰ Timperlake, Edward and Triplett II William C. (1999) *Red Dragon Rising*, Washington D.C. Regnery Publishing Inc., p. 166-167.

⁶⁰¹ Swaine, Michael D. and Tellis, Ashley J. (2000) *Interpreting China's Grand Strategy: Past, Present and Future*, <http://www.rand.org/publications/MR/MR1121>, accessed 13 June 200.

“China’s weak-strong state security approach has produced a “calculative” strategy, characterised by a) a non-ideological policy approach keyed to market-led economic growth and the maintenance of amicable international political relations with all states, especially the major powers; b) a deliberate restraint in the use of force, whether toward the periphery or against other more distant powers, combined with efforts to modernise and incrementally streamline the Chinese military; and c) an expanded involvement in regional and global interstate politics and various international, multilateral fora, with an emphasis, through such interactions, on attaining asymmetric gains.

If present trends in these areas hold, it is only by the period 2015-2020 at the very earliest and more likely 2020-2025 that China might begin an extended transition phase to a new security strategy.

It is also unlikely that a more co-operative China will emerge during this period if Beijing’s relative power grows to the point where a systematic power transition becomes plausible. Instead, growing Chinese power will most likely result, over the long term, in a more assertive China”.

- Eighth, the strategic pattern is changing in the Western Pacific. The previously mentioned chairman of the U.S. Subcommittee on East Asia and the Pacific stated that

“The President has rightly placed priority in efforts to reinvigorate relations with Asia’s (Remark by the author: America’s?) friends and allies in East Asia. The need for the U.S. to engage in a deep and sustained dialogue with our strategic partners in Japan to seek the closest possible co-ordination of the Republic of Korea and to enhance our extraordinary relationship with Australia is both obvious and essential to the development of a successful Asia policy, and I might say New Zealand as well”.

This mentioning of the allies and friends in the Western Pacific has a bearing on the discussions that had been going on in Canberra earlier in the same month about a closer defence and security policy co-operation. It can also become a consequence of the “automatic” co-ordination that will have to follow any introduction of a ballistic missile defence system for the Western Pacific. Such a system would include USA, Japan, Australia and possibly South Korea.

CHAPTER THREE: An effort at a total perspective from the European horizon

Conclusions of the economists.

As we have seen in chapter on, the WTO-accession is a part of a “grand strategy”, a long-term plan to change the Chinese society. Since it is already almost irrevocable and part of China’s social and economic system, China is no longer a foe of the west. The traditional latent hostility toward strangers is decreasing. The Chinese leaders are working hard to ease the social damage caused by the reforms, and they are even prepared to discuss these openly with foreigners. China is becoming integrated into the international community. The WTO will demand continued legislative work to implement the multilateral agreements and this could hopefully become a habit for China, just as it is for other countries. As the Chinese leaders get common interests with other countries, the inclination for conflict with the surrounding world will also decrease.

Conclusions of the military strategists

As we have seen in chapter two, according to both Chinese and American military strategists there seems to be a beginning of mutual arms build up in the Western Pacific. In critical articles in the press outside America, this is often blamed on the lack of an enemy to the American defence establishment or on the BMD-issue or on the Chinese military build up. However, the truth seems to be that it is the whole pattern of historic legacies and strategic relations that is leading to this development. It should be seen in the context of other developments in the relations between the states concerned. That means, of course, especially the U.S. – Chinese relations, but it reflects as well on the relations between China and the other states of the region and on the future military posture of Australia, Japan, South Korea and Taiwan.

Who is right?

Quoting the FOI-researcher Johannes Malminen, it was said in the beginning of this article that the security policy researchers and the political economists are still working apart from each other. He finds that the entire idea of economic security is highly controversial and politicised. The situation in the Western Pacific seems to be a good illustration of this duality.

The foregoing articles have raised some important questions, which have not been given any clear answer:

- Will China’s WTO-accession mean that the leaders of China’s Communist Party (and thus of China) change their attitude to the extent that they will give up the ambition to challenge USA as a global super-power?
- Will China’s leaders rather use the increased economic strength resulting from the WTO-association to increase China’s military capability?
- Will the mutual arms-build-up around the Western Pacific escalate into an American Chinese arms race?

- Will China's co-operation with Russia in the field of arms production (basically so far mostly in the form of Chinese purchases from Russia) and some other strategic issues (like fighting "religious extremism and terrorism" in Central Asia) develop into a military alliance against the West?

There are more questions of this kind, but finding an answer falls beyond the limited scope of producing an introduction to the security issues of Asia. To describe the nature of that debate will have to suffice.

Even in such a book one aspect can be expected, though, to be given more of an effort to provide an answer and that is what is known about the extent to which military aspects are likely to influence the strategy of China's leaders in the near future and more precisely the nuclear element thereof. A preliminary assessment was attempted a year and a half ago by a roundtable jointly sponsored by the U.S. Council of Foreign Relations, the National Defense University and the Institute for Defense Analyses.⁶⁰² Their most important findings, seen against the background of the foregoing articles, seem to be:

- That China is hiding so much of its military capabilities, compared to what other countries do, that already this is a reason for concern,
- That China's nuclear capabilities are developing so fast and have been prepared for so long that America needs to pay much more attention than has previously been the case, and
- That the development in the triangle of power relations between USA, Russia and China needs to be watched more carefully and U.S. policy to be shaped to influence the nature of that relationship.

They also ponder the question whether China's nuclear modernisation should be seen as an effort to recapture lost ground in comparison to other countries or as a build-up – and so do many other authors, who have written recently about China's military strategy. More information has become available during the last year. FOI asked Eugene Kogan, who is a defence analyst with expertise on Russian, East European and Israeli Aerospace and defence Industry (writing for i.a. *Jane's*, *Interavia* and *Military Technology*) to write an article. He did so, on very short notice and his report is enclosed hereto as an annex.

Dr. Kogan was asked to focus on the size of China's nuclear missile industry and whether its production is likely to change the strategic picture in the near future. Dr Kogan mentions i.a. the following factors:

1. China's infrastructure for the development and production of ballistic missiles employs more than 325,000 persons, most of who are highly qualified specialists. This category of personnel is still a scarce resource in China, and a very high priority must have been given to this build-up.
2. A new generation of weapons will be available in the form of solid-fuel-propelled missile systems that can be mounted on mobile platforms or in hardened silos.

⁶⁰² Manning, Robert A., Montaperto, Ronald, Roberts, Brad Cochair, (2000) China, Nuclear Weapons, and Arms Control, New York, The Council on Foreign Relations, Inc., p. 86-91.

3. Intercontinental missiles with a capability to reach America will be produced according to what is known about the current planning to the extent that up to 100 will be available by the year 2010-2015. That number can be easily increased as a result of political decision.
4. Work has been done to develop multiple interdependently target able re-entry vehicle (MIRV) missile systems, (meaning a missile with several warheads), but MIRV missiles are not yet available for deployment. Whether that will be done may be influenced by the challenge from the American BMD planning, but it does not seem safe to anticipate that it will not be done without provocation.
5. Four or six nuclear-powered submarines with submarine launched ballistic (nuclear) missiles are planned to be built within the next decade, as well as additional missile systems to be carried on board these submarines.

These observations – albeit based on a limited access to reliable sources as they are – illuminate the situation of the American military planners.

Even the most ambitious American NMD plan that exists today will only be able to neutralise 50 missiles in one stroke and only if they are not equipped with decoys or other countermeasures. China is developing countermeasure technology.

America will no longer be facing only one potential nuclear rival by 2000, but both Russia and China will equally have a capability to pose a serious nuclear threat to the American mainland, and both with a second strike capability.

This development is a challenge to the U.S. long-term strategic goal that was established soon after the end of the Cold War, namely to stay on top of military technological development and to remain the strongest military nation in the world. It is also part of that strategy not to allow any other power or combination of powers to begin to challenge that position. Even if both China and Russia are likely to remain weaker than USA, a combination of the two could in theory become a very powerful challenger.

In addition to that the practical impact of the logic of the MAD-doctrine can become somewhat weakened by the introduction of a new element, i.e. when a third power with a complete system of nuclear weapons is introduced to the relationship. Each and everyone of the parties of the triangle can be tempted to let the other two destruct each other in order to emerge as the strongest power itself and each one of the parties are likely to suspect the other parties of having similar intentions.

A U.S. decision that was announced on 13 December 2001 by President Bush to abrogate the Anti Ballistic Missile Treaty should probably in part be seen as an answer to China's nuclear weapons modernization, even if China was not explicitly mentioned. The statements by President Bush and Defense Secretary Rumsfeld only mention the threat from "Rogue States" and that the fact that USA and Russia enjoy better relations "does not mean that there are not enemies in the world".

The official announcement about the treaty abrogation was followed by warnings from CIA about China's arsenal reaching the 100-missile-level.⁶⁰³ A Chinese spokesman, who commented on the matter a few days later, did not deny that.⁶⁰⁴ He only called it "baseless speculation" and said that China would strengthen its arsenal "in accordance with its own needs".

(China does not usually deny or confirm speculation about its military planning).

The National Missile Defense system⁶⁰⁵ alone will not be able to neutralize the Chinese nuclear missile capability by the year 2010. Even the most elaborate ship-based Navy Theater Wide missile defense system as an addition (with an additional long-range capability as foreseen in a U.S.-Japan development co-operation agreement in January 2002⁶⁰⁶) will not be able to take care of all the missiles that can be launched in one strike, including those from the interior provinces of Tibet and Xienyang. Not even in combination with an Airborne Laser BMD system (ABL) will the presently planned American BMD "Architecture" be able to do so, because not even the ABL will have the capacity to reach the inner provinces of China (unless operating from bases in Central Asia, if available).

A Space-Based Laser program is, however, being explored by the American Ballistic Missile Defense Organization (BMDO). It is estimated that a constellation consisting of 24 satellites could provide NMD threat negation capability in addition to full TMD threat negation.⁶⁰⁷ If the studies now being made by the Air Force and the BMDO result in a decision, an orbit demonstration could take place within the 2010-2012 timeframe. A Space-based Laser Integrated Test Experiment (SBLIFX) is already carried on in a manner that is said to be in compliance with the ABM-treaty⁶⁰⁸, and the limitations of that treaty will anyhow soon be eliminated by the U.S. abrogation of the treaty. Other forms of space-based warfare are also being discussed in connection with BMD, like space-based moving target indicators, space-based laser-communication etc.⁶⁰⁹ The Quadrennial Defense Review Report speaks about

"Ensuring the freedom of action in space and denying such freedom of action to adversaries. Increased emphasis is placed on developing the capabilities to conduct space operations".⁶¹⁰

It has been mentioned in article 3 that there have been diplomatic efforts to convince the leaders of China that they need not fear the limited U.S. BMD programme, especially if that programme would be based on the BPI-type of defence, since it would not be able to reach the inner parts of China, allowing it to keep a second-strike capability and thus a "balance".

The Chinese leaders have not been impressed by these arguments, and now they see a family of systems appearing (at least in U.S. planning) that is intended to defeat all incoming missiles threatening the American continent, including a space-based system.

⁶⁰³ http://www.cia.gov/nic/pubs/other_products/Unclassifiedballisticmissilefinal.htm accessed 16 January 2002.

⁶⁰⁴ *The International Herald Tribune*, 11 January 2002.

⁶⁰⁵ Since shortly, the NMD system has been given a new official name, the Ground-based Midcourse Defense Segment (GMDS).

⁶⁰⁶ *Defense News*, 17-23 December 2001.

⁶⁰⁷ <http://www.acq.osd.mil/bmdo/bmdolink/pdf/301.pdf>, accessed 21 January 2002.

⁶⁰⁸ <http://www.acq.osd.mil/bmdo/bmdolink/pdf/308.pdf>, accessed 21 January 2002.

⁶⁰⁹ <http://www.acq.osd.mil/bmdo>

⁶¹⁰ Quadriennial Defense Review Report, p. 45, <http://www.defenselink.mil/news>, accessed 6 December 2001.

It is obvious that this new development in USA and Asia will have a bearing on EU. The above-mentioned Roundtable Report about a preliminary assessment of “China, Nuclear Weapons and Arms Control” concluded that the development of the U.S.-Russia-China triangle would need more attention by America. It also merits more attention by EU. A Russia that is closely connected to EU in both an economic sense and in an otherwise strategic sense will be much less likely to be tempted by China to join it in an anti-American (and anti-western) alliance, especially when that co-operation would include preparations for space-warfare.⁶¹¹

EU has a considerable economic weight also in relation to China and EU has a certain influence on USA as its natural ally in many issues of global importance. While trying to understand both USA and China, EU can make a difference by influencing the actions of both countries. The potential of China’s joining the WTO leading to a softer, more outward-looking attitude as a “world citizen” can only be fully utilized if also the EU makes its contribution to that end. In addition to that, the risk that Russia embarks on a nationalistic policy and unites with China in an anti-western military alliance depend even more on how much efforts EU can make to attract Russia into its own sphere of economic and political influence.

While there is a risk that China would tend to see co-ordination in military or political matters between EU and USA in Asia with suspicion, a closer co-ordination in the economic field can serve in the interest of more engagement of China. Such a policy seems to be needed if the Chinese leaders shall be convinced of the overwhelming benefits of accepting a role that is not one of an outsider and a challenger of the world order. It would help to give the optimistic economists a little more weight in relation to the views and plans of the more pessimistic military strategists – and it does not seem to entail any unnecessary risks.

⁶¹¹ It should be added here that EU is already following a policy of closer relations with Russia for obvious economic reasons - it is a profitable policy - and because of Russia's traditional cultural affinity to Europe and its geographic location on the eastern borders of the EU.

ANNEX

Chinese R&D in the Ballistic Missile (BM) Sector

**By
Eugene Kogan**

The People's Republic of China (PRC) does have significant funds available for high-pay R&D and a history of 'leap-frog' technological breakthroughs we are already beginning to see for instance the development of multiple re-entry vehicles (MRVs) for the DF-31 intercontinental ballistic missile (ICBM), global positioning system (GPS) in the guidance systems of the DF-15 short-range ballistic missile (SRBM), and the possible application of a radar-based terminal guidance system to the DF-21 medium-range ballistic missile (MRBM). (Jane's Missile and Rockets, May 1999). Furthermore, in spite of China's purchase of ballistic missiles related technologies from Russia it is impossible to underestimate the work of the indigenous industry in design, development and manufacture. Thus, the key components for the success of the BM sector are: the available financial resources; a robust and viable defence industry infrastructure for the design, development and manufacture of ballistic missiles; the existence of a large pool of skilled technicians, engineers, scientists and managers, and for the time being, an investment policy which sets ballistic missiles as the highest priority, above other defence products. For how long will this continue? Much depends on the ability of the defence industry to keep up with the imbalance of investing in ballistic missiles over other defence goods, the continuing infighting for R&D funds between the Second Artillery and the People's Liberation Army Air Force (PLAAF) and the country's economic resilience.

In this paper I provide a clear and concise analysis of the development of the Chinese R&D in the BM sector, and the BM sector's stand in the face of the U.S. decision to withdraw from the Anti-Ballistic Missile (ABM) Treaty, and discuss the impact of the U.S. cancellation of the ABM Treaty on the sector. One thing is clear, for the Chinese government, the design, development, manufacture and modernization of missiles (ICBMs, long-range ballistic missiles (LRBMs), MRBMs, SRBMs and submarine-launched ballistic missiles (SLBMs)) is, and would remain, the top priority. It should be emphasized, however, that the design, development, manufacture and modernization of missiles is coupled with their improved range, accuracy, survivability and penetration against missile defence. In addition, the PRC has pointed out the growing sophistication and capability of its research and development base and has stated that this has been reflected in the improved performance of the Second Artillery, the People's Liberation Army's (PLA's) strategic rocket forces. Thus, the substantial improvement in Chinese R&D in the BM sector takes into account a qualitative improvement in its work force, military staff of the Second Artillery and of the ground forces. The participation of the latter is essential since, as the PLA builds up its SRBM arsenal, it is likely that the ground forces will have a growing role in managing these weapons, as the 90,000-strong Second Artillery will be fully stretched to cope with a possible major expansion of its ICBM and MRBM forces. This triple combination must not be underestimated and has to be seriously considered.

The BM Sector Financial Estimates and its Configuration

According to Internet source

sources(http://www.house.gov/hasc/openingstatementsandpressreleases/105thcongress/chin_arpt.pdf), over the last decade, China has put a great deal of investment into the infrastructure to develop and manufacture new ballistic and cruise missiles. What does this actually mean in real figures? When it comes to clarification of financial estimates or, for instance, the percentage of gross domestic product (GDP) invested in R&D in the BM sector, we do not have a clear answer from either Chinese or Western sources.

According to Internet sources

(<http://www.milnet.com/milnet/threats/chnrmap3.htm#B32>), working with Chinese sources, Wang Shouguang finds that the official Chinese defence budget 'does not cover the costs of R&D on new weapons and equipment', the funding for which comes out of other budgets.

The Military Balance 2001-02 reported that the real size of China's military expenditure remains a mystery. It is generally believed that the official budget accounts for little more than personnel and operational costs. Other significant items, including procurement, military R&D and pensions for retired personnel, are funded from elsewhere in the national budget.

According to the SIPRI Yearbook 2001, China spent between 5 per cent and 9 per cent of its total military expenditure on R&D in 1998. There are no data available on the proportion of military R&D in total government R&D expenditure, or for the years 1999, 2000 and 2001.

According to Internet source

(<http://www.sais-jhu.edu/pubs/policyforum/pollack.pdf>), the largest increases in various categories of military expenditure during the 1990s were for military procurement and for R&D. This source, however, does not elaborate further on the actual size of the financial increases. The general vague statements such as 'China has greatly invested or largest increases...' continue to dominate analyses of Chinese military expenditure and investment policy in military procurement and R&D.

The PLA with its largely attached commercial businesses (which were banned in 1998) may have been one of the non-budgetary financial backers of the BM sector. As a result, two questions can be raised: How much money did the PLA invest in R&D of the BM sector? Does the PLA continue to invest today? International Politics (July 2000) reported that up to and including 1998 the PLA, through 20,000 commercial businesses, secured about \$US4 billion per annum. It did not state, however, how much it invested in R&D in the BM sector.

Joint Force Quarterly (Autumn/Winter 1997-98) reported that estimates of actual expenditures vary from the official budget figures (just under \$US10 billion in 1997, and about \$US11 billion in 1998, some 1.5 per cent of GDP) to over \$US100 billion. Estimates put the actual military spending at between \$US30 billion and \$US40 billion; the lower figure seeming the more reasonable. The Military Balance estimates that real military spending in 2000 was around \$US42 billion, approximately 5.3 per cent of China's GDP. Both sources, however, fail to give a figure for the average investment in military R&D and particularly in R&D of the BM sector. Nonetheless, it is evident that the Chinese real military expenditure is three to five times higher than official estimates.

According to some Russian estimates, Chinese military R&D expenses may run up to \$US9 billion per annum. These expenses correspond to the U.S. R&D military expenses in the mid-1990s. This single estimate highlights the seriousness and determination of the Chinese leadership to support its most important R&D programmes. Undoubtedly, the ballistic missile programme is the highest priority. We can only assume that over 50 per cent of \$US9 billion goes to R&D in ballistic missiles.

Despite a lack of concrete financial estimates it is well known that China has a large, well-established infrastructure for the development and production of ballistic missiles. In this paper I will list the nine facilities that are the most important within their own sectors and the research programmes that they follow. They include six major development, production and test facilities for ballistic missiles, one major facility for research and development of solid-fuelled rocket engine designs for ballistic missiles, one major construction-facility for nuclear-powered ballistic-missile submarines (SSBN) and one import/export organization. The total number of employees within the six facilities is 325,700, while the construction-facility employs about 4,000 and the import/export organization about 400. I have no information about the number of people employed on the research and development of solid-fuelled rocket engine designs.

One thing we can be sure of is that none of these research facilities will be privatised in the near future: they will remain essentially state-owned. Again, the funds that the Chinese government manages to supply to these facilities and enterprises is unlikely to be cut back, given their continued strategic importance. All of the above-mentioned facilities are listed below.

The Beijing Research Institute of Telemetry (BRIT), also known as the 704th Research Institute, an integral part of the Chinese Academy of Launch-Vehicle Technology (CALT) (formerly First Academy of the Ministry of Aerospace Industry, Beijing Wan Yuan Industry Corporation (BWYIC), now known as CALT) develops advance guidance systems, produces telemetry devices and, since 1991, has been working on global positioning systems.

The China Academy of Launch-Vehicle Technology (CALT) is the foremost Chinese complex devoted mainly to the research, development and testing of ICBMs and SLBMs.

The China Aerospace Science and Technology Corporation (CASC) (formerly the Fifth Academy of the Ministry of Aerospace Industry, China Aerospace Corporation (CASC)) is the largest complex involved in the research and development of China's long-range nuclear missiles, submarine-based strategic missiles, surface-to-surface tactical missiles, air-defence missiles and cruise missiles.

The China National Guizhou Aviation Industry (Group) Corporation (GAIC/GAIG) designs and manufactures rocket launchers.

The Sanjiang Space Group or Base 66 (formerly part of the Third Academy, now part of the China Haiyang Electromechanical Technology Academy (CHETA) is engaged in the research and development of solid-fuelled tactical ballistic missiles.

The 13th Research Institute or Beijing Institute of Control Devices (an integral part of the Chinese Academy of Launch-Vehicle Technology (CALT) is engaged in the research and development of attitude control systems, including inertial instrument technology such as gyros and accelerometers.

The 41st Research Institute, also known as the Shanxi/Shaanxi Institute of Power Machinery (SIPM) (an integral part of the Former Fourth Academy, now known as the Academy of Rocket Motors Technology (ARMT) engages in the research and design of aerospace power devices, primarily solid-fuelled rocket engine designs for ballistic missiles.

Huludao Naval Base and Shipyard: Huludao Shipyard, also known as the Bohai Shipyard in Huludao, is the major construction-facility for the Xia nuclear-powered ballistic-missile submarine.

The China (National) Precision Machinery Import and Export Corporation (CPMIEC) imports and exports tactical defensive missiles.

As mentioned above, state funding, political and military support, the concentration of expertise and the pivotal role of the sector for the government and military make any further investment in R&D almost unconditional. We should keep in mind, however, that investment in R&D was not affected either by the ABM Treaty or by its cancellation. The investments were necessary to keep up China in a very power position and were made as a result of political priority and economic affordability. The duality of political considerations and economic realities continues to play a central role in the thinking of the Chinese leadership even at the present time. The two, however, may seriously clash as a result of much slower rise in economic growth than expected. I shall touch upon the issue of slow economic growth in due course. As we will see below, long before the U.S. decision to withdraw from the ABM Treaty, the Chinese political and military leadership continually pursued their policy of developing and modernizing their ballistic missiles arsenal.

Pre-U.S. Cancellation of the ABM Treaty State of Affairs

In retrospect, it seems that China decided to modernize and expand the size of its ballistic missile forces and to develop new types of ballistic missiles even before George W. Bush's cancellation of the ABM Treaty. The Chinese strategy was not lost on the Americans. On the other hand, the reactions of Chinese officials to missile defence fluctuated between the rather outspoken and the subdued. The major problem for the U.S. however, was, and still remains, the projected estimates of the number of ballistic missiles. These estimates vary, to say the least.

As far as back as June 1997, Jane's Intelligence Review reported that without reliable open-source information on the number of new-generation systems that China planned to produce and deploy, any projections regarding Beijing's future deployments were, at best, questionable. Projections vary, but one estimate maintained that China could deploy between 50 and 70 multiple re-entry vehicle/multiple independently target able re-entry vehicled (MIRVed) ICBMs with ranges between 8,000 km and 12,000 km (i.e. the DF-31 and DF-41) by the year 2010, deployed on either mobile launchers or in hardened silos. This report also

stated that China would deploy six nuclear-powered ballistic-missile submarines with 8,000 km-range MIRVed submarine-launched ballistic missiles (i.e. the JL-2). Jane's Sentinel Security Assessment (January 2001) reported that it was known only that four (and not six) nuclear-powered ballistic-missile submarines would be built. The same issue of Jane's Intelligence Review added that, depending on how many missiles were armed with multiple warheads and the number of warheads per missile, such estimates might put China's deployed intercontinental-range missile arsenal at the level of hundreds of warheads.

Jane's Missiles and Rockets (October 1999) reported that China's current force of about 20 DF-5 ICBMs could reach U.S. targets. Jane's Intelligence Review (March 2001) report highlighted the U.S. problem with the missile estimates. The major difficulty for the U.S. intelligence agencies is that China has neither confirmed nor denied any U.S. estimates of its ICBM strength. As a result, the possibility of a few undetected Chinese ICBMs being launched in retaliation is considered enough to deter the U.S. from attempting a pre-emptive nuclear strike against China. Thus, it is the uncertainty of U.S. estimates, rather than the total number of Chinese ICBMs, that is directly relevant to the credibility of Chinese deterrence in its current form.

According to the Department of Defense (DoD) report *Proliferation and Response* on Chinese military developments, issued in January 2001, China currently has over 100 nuclear warheads and is increasing the size, accuracy and survivability of its nuclear missile force. It is likely that the number of deployed Chinese theatre and strategic systems will increase in the next few years. China's stated doctrine reportedly calls for a survivable long-range missile force that can put a significant portion of the U.S. population at risk in a retaliatory strike. As China's strategic forces and doctrine further evolve, Beijing will continue to develop and deploy more modern ICBMs and SLBMs.

According to Internet sources

(<http://www.house.gov>), China will probably have the industrial capacity, though not necessarily the intent, to produce a large number, perhaps as many as a thousand, new missiles within the next decade. Most new missiles are likely to be short- or medium-range (i.e. the DF-11, DF-15 and DF-21/21A), road-mobile, and fuelled by solid propellants. All of them are expected to have greatly improved accuracy over current systems, and many will be armed with conventional warheads.

According to the Arms Control Association Website

(http://www.armscontrol.org/act/2001_06/inttalksjun01.asp), less than a week after President George W. Bush's 1st May 2001 speech in which he explained why he believed the U.S. needed to deploy missile defences and abandon the constraints of the ABM Treaty, Assistant Secretary of State for East Asian and Pacific Affairs, James Kelly, travelled to China. Kelly attempted to reassure China, declaring that a U.S. missile defence would not be a threat to China. Nevertheless, the U.S. intelligence community assessed in the autumn of 2000 that China would probably respond to U.S. defences by building up its strategic forces.

Secretary of Defense, Donald Rumsfeld, dismissed such concerns during a 6th May 2001 interview on NBC, saying that U.S. missile defence plans will not affect what [China] does. He continued, 'they are going to develop additional weapons. They have said that, they have been writing that, they are doing that'.

According to Internet sources

(http://www.armscontrol.org/act/2001_11/chinanov01.asp), Beijing has recently been spoken out at the United Nations against U.S. missile defence plans. On 10th October, China, Russia and Belarus co-sponsored a draft resolution supporting the ABM Treaty. However, talking to reporters on 22nd October, Colin Powell, Secretary of State described Chinese officials as 'rather subdued' about missile defence in recent months. Powell, however, discounted a dramatic build-up, yet admitted that, if he were a Chinese general, 'one small part of [his] brain' would wonder how U.S. defences could affect Chinese missiles.

Post-U.S. Cancellation of the ABM Treaty State of Affairs

What are the repercussions of the U.S. cancellation of the ABM Treaty on China? Does it mean that from now on the Chinese political and military leadership will be less restrained in their drive to expand their ballistic missiles arsenal, or did they plan to increase it anyway? What is the importance of economic considerations on the BM sector?

According to Internet sources

(<http://asia.cnn.com/2001/WORLD/asiapcf/east/12/13/china.prcabm/>), diplomatic analysts in Beijing said that the reaction from Chinese officials had been remarkably mild compared with the strong stance that the leadership had taken earlier on the ABM issue and on Bush's deployment of a national missile defence system. The analysts said that President Jiang Zemin did not raise a strong protest, partly because he was not sure what deals the U.S. might have struck with President Vladimir Putin's administration on the issue. Jiang stated only that China would continue to try to uphold peace and stability in the world, but stopped short of criticizing the U.S. decision to abandon the ABM treaty. In a briefing on 13 December, Foreign Ministry spokesperson Zhang Qiyue had expressed 'regrets and worries' about Washington's move. On the other hand, a commentary carried by the influential Xinhua news agency Website stated that Washington's withdrawal from the ABM Treaty was 'a victory for the hawkish faction'. Saying that the Bush administration was again pursuing 'unilateralist' policies, it hinted that Washington was taking advantage of its success in the war against terrorism to boost its global dominance further.

China's muted reaction to the U.S. decision to cancel the ABM Treaty can partly be explained by the inevitability of the U.S. decision and partly by the Chinese government realization that whether China likes it or not is irrelevant to the U.S. political and military leadership. China's muted reaction, however, does not necessarily mean that the Chinese leadership resigns itself to the new realities in East Asia. Other than Russia, China is the only regional great power in East Asia that possesses nuclear weapons. It is also the only nuclear power in the world that is steadily enhancing the size and quality of its nuclear arsenal. One thing is clear, the Chinese political leadership, in spite of a probable request from the military to substantially increase (i.e. fourfold or fivefold) the ICBMs arsenal in the next three to five years is unlikely to rush to adopt such a decision, since the Chinese BM sector is still in the midst of a modernization and development phase. However, we must not be surprised if, within the next ten to fifteen years, China increases its ICBM arsenal. By how much would it increase it? How would the number of modernized and new missiles that it would keep in its arsenal vary from that given below? I do not totally agree with Colin Powell's view of discounted a dramatic build-up of Chinese ballistic missiles, but neither do I disagree with his statement, as I do not know what he meant by 'discounted a dramatic build-up'.

Although the Chinese leadership claims that the economy is growing at rate of 7 per cent to 9 per cent per annum, in reality it is growing at a lower rate of between 1 per cent and 3 per cent. However, it is accurate to state that, despite difference in the figures for economic growth, the economy continues to grow.

The growing economy of the PRC, for instance, could allow it to manufacture and deploy more missiles than earlier planned. The uncertainty that more missiles may be deployed than earlier planned needs to be kept in mind as, in the long run, it could affect the regional power play. We could also foresee an increase in financial investment in R&D in the BM sector, although in other sectors of the defence industry financial investment may decrease. Thus, the defence industry infrastructure may suffer further deterioration and the other defence products, which are already in the pipeline, may not be completed as a result of the imbalance in the policy of investing in the BM sector. The economic cost of the BM sector is likely to increase in the short- and medium-term. However, it is not very clear what the economic cost will be in the next ten to fifteen years. We also have to add to the total economic cost of R&D in the BM sector the cost of maintaining the current arsenal in good order. This may well be a very expensive item. I shall return to the issue of the imbalance policy in the Conclusion.

Jane's Missile and Rockets (October 1999) reported that the size of the ICBM force was expected to be of the order of tens by 2015, and was likely to include a few tens of more survivable, land- and sea-based mobile missiles with smaller nuclear warheads. The U.S. National Intelligence Council (NIC) report stated that it was expected that the new JL-2 SLBM would be tested within the next decade, and predicted that the missile would have enough range to target the U.S. from launch areas near China.

Jane's Missiles and Rockets (August 2000) cited the Annual Report on the Military Power of the PRC submitted to the U.S. Congress in response to a requirement contained in the Fiscal Year 2000 (FY00) National Defense Authorization Act which stated that in addition to the DF-5 ICBMs the smaller DF-4 LRBM has the range to reach areas of Alaska, but this weapon was intended primarily for use against targets in Russia and Asia.

Jane's International Defense Review (October 2000) cited the U.S. National Intelligence Council report, which claimed that the DF-41 ICBM would be targeted primarily against the U.S.

Thus, Mainland China's future nuclear arsenal is likely to possess multiple independently target able re-entry vehicled warheads, and may grow from today's 20 or 30 ICBMs (with warhead yields in the megaton range) to perhaps 50, 100 or even more than 100 ICBMs with multiple warheads with yields in the kilotons accompanied by a large numbers of MRBMs and SRBMs.

To conclude, the success of the modernization of China's military's force depends heavily on the ability of the Chinese defence industry to deliver its promises of producing state-of-the-art arms. Its track record though, has been chequered, with successes in a few areas such as missiles and tanks. The biggest test that the industry faces is the successful completion of several key weapons systems, including the F-10 fighter, nuclear submarines, and ballistic and cruise missiles. If the defence industry continues to struggle to develop these weapons, the PLA may turn increasingly to overseas markets to satisfy its demands and this would mean

less money and investment flowing to local defence producers. Thus, sooner rather than later, the Chinese leadership will be obliged to deal with the ballistic missiles imbalance policy vis-à-vis manufacturing other defence products. Furthermore, the infighting that is going on between the Second Artillery and PLAAF for R&D funds is not yet over. When it is, the estimates in this paper will require serious revision.

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PART TWO
CENTRAL ASIA

CENTRAL ASIA



Updating part two; the consequences of the war in Afghanistan for Central Asia and South Asia

By

Ingolf Kiesow and Emma Sandström in January 2002

That the war in Afghanistan has not changed the situation in Central Asia in any remarkable way is hardly a correct statement, even if it is often heard. The power balance has been reshaped and the actors have to count with a number of new factors. The escalation of the old conflict between India and Pakistan and the way in which it still has been possible to contain it both suggest a greater U.S. influence. From a security policy point of view it should be observed that five out of seven of the world's nuclear powers are now present in the region. Four of those constitute two pairs of potential adversaries, namely India and Pakistan and China and America.

The fact that the number of new constellations makes decision-making more complicated creates an additional element of risk. Another such element is found in the newly awakened interest in the rest of the world for Central Asia. That will lead to new political, economic and social impulses and involve Central Asia in world politics in a way that was not usually the case.

This new interest should hopefully result in new efforts to bring relief and reconstruction aid to the region aiming at conflict prevention, especially to Afghanistan, but also to the other countries in Central Asia. That, however, requires great efforts and strong co-ordination by the international community.

The political environment

George W. Bush has been luckier than his predecessors in the office as American president when first meeting with an international crisis. The attack on the World Trade Center in New York occurred at a point in time, when working groups in previously appointed investigations just had been reported and brought up for top level discussions as drafts for future policy lines. They dealt with the Middle East, Afghanistan and Pakistan as well as aspects of Central Asia and southern Russia. Some fragments of one of these - regarding Afghanistan and Pakistan - had been leaked to media a few weeks before the 11 September. The working group had recommended a harder and more active policy to isolate Taliban internationally, apply a stronger pressure on Pakistan about closing its borders to Afghanistan and stopping the flow of fuel and weapons to Taliban as well as influencing China's Taliban policy, which was regarded as too lenient.

This probably contributed to Bush seeming already on the 11 September to have a more long-term policy in mind. He spoke of a long and protracted struggle and about a "War of Information". Already on the day after, the UN Security Council formulated a resolution number 1368 in support of the struggle against terrorism. If necessary, it gave **USA** the right to self-defense, according to the UN charter. That was interpreted as meaning the right to use force in order to make Afghanistan extradite Osama bin Laden, who was supposed to stay there.

Already during the first week, as Afghanistan seemed not to yield to the demands, the U.S. administration began to talk about the need for a "Grand Coalition". On 23 September, the UN Security Council adopted a resolution number 1373 that urged the members to act in order to punish terrorists. This was interpreted as supporting the coalition. America used this for selecting by itself what help was desired and from whom. It became a "coalition of the able and the willing" on America's conditions. In practice, this must mean requests to Afghanistan's neighboring countries, of which some had cool or even bad relations with USA, such as India, Pakistan and Iran or a scantily established relationship such as the Central Asian countries.

The support from the **United Kingdom** achieved strategic importance. Prime Minister Tony Blair traveled to i.a. Pakistan and India. His engagement also resulted in the EU rapidly taking a position of support for America's demands in the UN General Assembly.

Initially less visible, but in practice of an immediate and direct importance was **Russia's** support and the personal engagement of President Vladimir Putin. He was the first head-of-state to bring his condolences (via the Hot Line) on the 11 September. The Central Asian states that are members of the Commonwealth of Independent States (The CIS) were given Russia's consent (after some hesitation) and encouragement to support USA in an active way.

It was Russia's own struggle against terrorism during the insurgency in Chechnya that made this choice natural, as well as Russia's old position as a colonial power in Central Asia. It was also its role as a peace-enforcer in Tadjikistan and later as initiator of the so-called Shanghai 5 Group of the Central Asian countries and China and Russia (that after the accession of Uzbekistan was renamed as the "Shanghai Cooperation Organisation").

This decision was also given an importance of historic proportions when Putin took the opportunity to bring Russia nearer to the West in other respects. Russia sided with USA in the UN Security Council in its interpretation of the meaning of the right to self-defense. During the following weeks, Putin made Russia join the U.S. Grand Coalition (in spite of some domestic resistance) and he spoke of an opening for future NATO membership for Russia, about an understanding with USA regarding Strategic Missiles and Anti Ballistic Missile Defense, thereby undermining China's absolute resistance. Later on, Russia's support to the so-called Northern Alliance contributed greatly to the successes in the northern part of Afghanistan. After the defeat of Taliban, Russia cooperated with the Western powers in the political settlement of the situation in Afghanistan and it was first with establishing a delegation in Kabul and to send relief consignments by air of food to the capital.

It is not easy to answer the question whether Russia has lost or gained influence in Central Asia. The fact that USA has gained influence does not necessarily mean that Russia has lost instead. After the end of the Cold War, the game is no longer one of a zero sum character and Russia has moved forward several positions during the war. In Tadjikistan the Russian presence has increased again by appearing as more necessary than ever as a guarantee for the continuation of peace. The role as leader of the CIS-states of Kyrgystan and Kazakhstan appears as more prominent again (in spite of signs of increasingly independent attitudes by Kazakhstan in some issues).

The "Coup" to be first to establish an Embassy in Kabul and to dispatch the first relief consignments to the capital demonstrate an ambition to regain a prominent position in Afghanistan.

The emergence of America on the Central Asian scene can admittedly result in the countries of that region beginning to play off one great power against the other. Since USA and Russia don't have obviously contrary military interests it is possible that the problem is limited for Russia as far as military matters are concerned and in the economic field it hardly seems likely that America should wish or be able to replace the Russian influence. The structural dependence of the Central Asian countries on Russia is of a kind that is hardly possible for American companies to replace, except for in limited aspects, such as in the extraction of oil and gas. USA does not seem to have any political intention to out-compete Russia from the region.

One problem for Putin's policy may become that Russia since the emergence of India as a state has supported the policy of that country, both as a weapon supplier and as a political ally against USA that previously for a period in time supported Pakistan in its conflict with India. Now there can emerge new problems in Russia's relations with China that in its turn has replaced USA in support of Pakistan against India. If the recently initiated Indo-Pakistani crisis leads to an open conflict, and if Russia then wants to continue its support to India, this may result in worsened relations with China, which would mean a strategic disadvantage for Russia. At present, however, it actually seems that Russia will anyhow continue its co-operation with USA and India.

The war against terrorism

America's war against terrorism has certainly resulted in successes in Afghanistan, but there are reasons to fear that terrorism can be continued from several other countries. USA has the same problem with Pakistan as India in this context, namely that Taliban forces that have taken refuge in Pakistan co-operate with Pashtu activists outside the control of Pakistan's government in supporting and committing acts of terrorism beyond Pakistan's borders. Osama bin Laden may also have escaped and be hiding among these forces in Pakistan. USA has considerable economic interests in India and an interest in India as a balancing factor to China in South Asia and the Indian Ocean. Therefore, and in spite of its recently initiated co-operation with Pakistan, USA does not want to be engaged in support against India, even if it is clearly an American interest to suppress India's desire to go to war against Pakistan as a revenge for the attacks on its Parliaments in New Delhi and Srinagar.

In America, a new debate has begun about continuing the war against terrorism emanating from other countries than Afghanistan. If, as has been discussed, these considerations should lead to an attack on Iraq, this could affect Central Asia, Iran still having an inflamed relationship with Iraq, caused by the Shiite insurgency in southern Iraq and other reminiscences from the ten year-war between Iraq and Iran. Overtures from Iraq to "fight the common enemy" USA, is not likely to have much impressed the Iranian leaders.

The American presence in Central Asia can become more permanent than expected. To have been given access to bases in Uzbekistan, Tadjikistan and Kyrgystan may have a considerable strategic value, if American relations with China continue to be characterised by elements of

military competition and "power projection". Even in Afghanistan, the American military presence continues in chase of Osama bin Laden and the Taliban leaders, who have not been caught. It may well be made permanent under the pretext of continuing that search, albeit in a more discrete shape, given the traditional Afghan aversion to any foreign military presence. Such a permanent change of the strategic picture in Central Asia would also be seen as a significant development in the Kremlin.

The task of the international community in Afghanistan

The reconstruction of Afghanistan represents a formidable challenge to the international community. It has been calculated that between four and six million people have fled from their homes in Afghanistan and the winter is causing them severe suffering. The cities have been destroyed to a large extent. The infrastructure, which was already poor before the wars, has been severely damaged, and the need of even basic dwellings is desperate. The UN has again taken up its activity in Kabul and several aid conferences about Afghanistan have been held. However, considerable co-ordination problems have arisen between local military commanders and between them and the relief agencies. The UNDP chief Mark Malloch Brown has been appointed as co-ordinator. Sweden is part of the consortium that shall maintain a dialogue with the new interim Government in Kabul and the Swedish Government has declared that it intends to contribute with up to one billion Swedish Kronor during a three year-period (2002-2004).

The UN has been given a great responsibility by USA practically leaving Afghanistan on its own after the war. USA has no plans to be involved in any peacekeeping efforts, but has asked the EU to take the main responsibility for the setting up of a peacekeeping force under the mandate of the UN. Again after persuasion from the British Government, the EU has decided in principle to organise a force of between 4,000 and 4,500 men. However, the new Afghan interim Government that was installed after the war has declared its intention to use the peacekeepers only for limited patrolling tasks in and around the capital and, later, along some of the main roads of the country. Other military tasks shall be handled by Afghan troops. Sweden will participate with an intelligence unit. Other UN members have shown little enthusiasm for participation in the international peacekeeping force for Afghanistan.

Demands on aid are enormous, but the capability of the international community to live up to the expectations are limited, when seen in relation to the needs. The fractured infrastructure of Afghanistan and hardly existing central administration reduces the capacity to receive any meaningful assistance. As example can be mentioned that the highways are in such a bad shape that they don't allow any heavy transports and the country is landlocked and doesn't have any harbours. Consequently, the first reparations most likely have to be made by equipment that has to be flown in by air. Logistical difficulties and obstacles in general make the operation more costly than in other areas ravaged by destruction and the destruction has gone on longer and has been more extensive. Continued sporadic fighting and an unsatisfactory security situation are also part of the difficulties meeting the efforts to bring relief and reconstruction assistance. As will be dealt with below, the situation of Afghanistan is so closely related to the situation of the other countries in Central (and South) Asia that simultaneous intervention is needed even there. It can hardly be stressed enough what an enormous and important task the international community is being asked to perform. It is also a pressing task, but one of which its fulfilment can mean progress for the entire region.

The situation in Afghanistan

The interim government in Kabul was formed at a meeting in Petersberg in Germany, arranged with participants representing different groups appointed under the auspices of the ex-king Zahir Shah. He has, however, declared that he does not intend to retake his throne or to lead the country in any other capacity. The interim Government is expected to reflect the ethnical composition and has as its Prime Minister S. Hamid Karzai. He belongs to a moderate opposition group against the Taliban and is the leader of one of the important Pashtu clans with good contacts in both India and Pakistan. The intention was also to create a fair representation of the Tadjiks, Hazaras and Uzbeks, who are the other large groups of population in Afghanistan. Non-Taliban Pashtus are expected to exercise a greater influence than any one of the other groups of population, since around 40 per cent of the people are Pashtus.

It can be questioned whether it has been possible to create an interim Government that can carry legitimacy and exercise enough power to reintroduce law and order in the country. Some of the most important warlords and previous leaders have opposed the Government, i. a. the Herati leader Ismail Khan, the Hazara leader Karim Khalili and the Uzbek General Rashid Dostum as well as the ex-president Rabbani. It may become difficult to accomplish disarmament and integration of the many former fighting units now existing in the country and make them into a national army led by the central government.

Still during the 1970s, Afghanistan was in many ways a feudal society, and it was resistance from feudal forces against a newly introduced communist central administration that caused the Soviet invasion in 1979. There remains a risk that the new military leaders, who now find themselves left out from the central power organs may wish to play the same role as previously performed by the Khans and other feudal lords and that Afghanistan is again split up into local ethnic and religious groups. They may again be supported by their own ethnic groups in neighbouring countries, especially in opposition against a perceived dominating influence by the Pashtuns in Kabul. The winter is now, in January 2002, an obstacle to warfare and thus also to local uprisings. It is necessary for the interim Government to work fast, to initiate the execution of power in the entire country, disarm or assimilate the local military units and to exclude the neighbouring countries with a tradition to support local elements from the possibility to play that role.

In this environment, the peacekeeping forces get a task that is not only difficult but also risky. However, their task does not include the enforcement of disarmament. That is supposed to be carried out voluntarily.

Among the other consequences of the way the war was brought to an end for the time being is that **the war against drugs** may suffer a setback. During the year 2000, Afghanistan contributed with about 70 per cent of the world's drug supply for illicit consumption, but the Taliban regime had enforced a ban on further production during 2001. The Northern Alliance had not enforced any such ban but had rather encouraged production wherever it could help in the financing of the war. There are already many reports about new drug plantations and in the chaos after the war huge stocks of drugs have disappeared into the hands of smugglers and dealers. It remains to be seen how much the increased foreign influence (as a consequence of

the way that the war was ended) can lead to elimination of the narcotic production in the long term.

The roles of the neighbouring countries

China, bordering on Afghanistan, had relatively well functioning relations with the Taliban regime. The roads to the north through the thin corridor to the Chinese province of Xienyang were for instance of great importance for the supply of fuel and food to the Taliban. The Americans had seen this with concern already before the 11th September. China is also a strategic contender to USA in the Western Pacific and East Asia. On the other hand had China been propagating the struggle against terrorism and separatism according to the Shanghai 5 concept so hard and so long that it could not reasonably oppose America's "Great Coalition". It was, however, natural that the Chinese support became lame and mixed with repeated warnings that USA should not be permitted to act unilaterally and that the UN ought to be given command over every phase of the operation. Contrary to Russia, China never allowed any over-flight of combat aircraft over Chinese territory or offered any other logistical support.

However, China never used its right of veto in the UN Security Council against the resolutions, which were considered to mean an authorisation for USA to act and with the American successes the protest became rare by time. China even gave some support with intelligence about bin Laden's organisation and co-operation with the Islamic Uighur insurgents in China's Xienyang province. The borders to Afghanistan were closed and the supply of fuel and food to the Taliban was cut off. The pressure was increased upon the Uighur insurgency and the border guards toward Afghanistan were reinforced. A number of Chinese Uighurs were among the foreign elements in Taliban forces that were captured by the Northern Alliance forces.

China has suffered a strategic loss by USA having stationed military aviation units in Uzbekistan, Tadjikistan and Kyrgystan that are "in the back of China". (In the Western Pacific China has USA as a potential adversary in a possible military action to incorporate Taiwan with China, which is a national objective for China). USA can in theory utilise its new air bases in Central Asia for radar reconnaissance and fire control for combating intercontinental missiles being launched from China's "inner provinces", i. e. Tibet and Xienyang. Missiles launched from these areas have previously been beyond reach of the planned U.S. antiballistic missile defence system.

Another disadvantage of strategic importance can be caused for China's need of oil and gas from Central Asia. As a peace-looking state of affairs begins to emerge in Afghanistan, U.S. oil companies begin to talk of reviving previously discussed plans for a pipe-line system for oil and gas to harbours in Pakistan from Central Asia, basically meaning Turkmenistan. As a major potential customer for Central Asia's oil and gas, China has an interest in seeing to it that India and Pakistan do not get so close to each other that they can agree about a common pipeline from Central Asia. Negotiations in that direction have been discussed and the matter was rumoured to have been on the agenda for the last meeting between the Prime Minister of India and the President of Pakistan (but possibly never dealt with, since the talks did not go smoothly).

By its support for Pakistan in the question about Kashmir, China is now getting a new chance to be a player again in Central and South Asia. For Pakistan, the support from China represents the only important support it can get in that conflict.

Iran is bordering on Afghanistan's western province of Herat. There is a great number of Shiites in this province and more so in the areas east of Herat. Iran is a Shiite country and has supported the Shiites of Afghanistan, who suffered from religious persecution during the rule of Taliban. Iran even co-operated with Russia in support of the Northern Alliance. The strictly religious regime in Teheran had on the other hand a hostile attitude toward America since the revolution against the Shah. However, a certain détente seemed to have begun since the reform friendly president Khatami had begun to be more strongly supported by the majority of the people in Iran. During the summer of 2001 he had made statements inviting USA to a "cultural dialogue". It nevertheless came as somewhat of a surprise when in the UN General Assembly Khatami made an official statement of condolences and condemned the 11 September attack against American citizens. Iran declared itself willing to assist in "Search and Rescue Operations" during the war against the Taliban and allowed extensive relief operations through its territory to Herat and other provinces in western Afghanistan. On the other hand, Iran has criticised the American bombings in harsh words and also continued to criticise USA in other respects. In general, this disparate behaviour is interpreted as reflecting the inner power struggle going on in Teheran between the conservative religious elements on one hand and the more moderate elements represented by Khatami on the other hand.

By continued relief consignments - both by foreign NGOs and Iranian relief operations - Iran has secured important sympathies among all elements of the population in western Afghanistan, especially among the Shiite elements, who are now being given open support. This may result in Iran becoming a power factor in potential power games inside Afghanistan in the future.

India's choice was easy, when confronted with the American demand for support to the "coalition" against terrorism. In spite of India having been on the side of the Soviet Union uninterruptedly during the Cold War and having shown a generally anti-American attitude, hardly any other country in the world has had so many acts of terrorism committed on its territory since the emergence of the Indian Federation. Already the principle of fighting terrorism made an endorsement mandatory. Also of importance was that precisely Pashtu warriors (who were the backbone of the Taliban) since the beginning of the uprising have been an important element in the armed struggle in Kashmir for independence from India. This has become more important lately, since the Indian Kashmiris begin to cease their armed activity in order to save their community from the Indian retaliations that often became the result of their actions. That appeared for India as a chance to reduce the recruitment of insurgents in Kashmir and to create a real and durable peace in the region.

There were more motives for India's choice. Russia is no longer a super power with capability to back up India as a regional power (albeit Russia remains in its role as India's main arms supplier). USA has a great economic power of attraction that has become more important to India with the modernisation of its industry. A rapprochement had begun already previously, long before the World Trade Center was destroyed and it was in India's long-term interest to support USA. There has even been disappointment over the fact that India's role did not become very prominent in the coalition. America was given access to bases in Uzbekistan, Tadjikistan and Kyrgystan and has not needed much access to air space or bases in India.

The Kashmir conflict dates back to the days of partition between India and Pakistan, when Kashmir, which had been a separate maharaja principality was divided between them. Both states now make claim to the entire territory of former Kashmir. Since Partition, India and Pakistan have fought three wars, of which two were fought over Kashmir. Since 1998 both India and Pakistan are nuclear powers.

India fears that after the end of the Afghanistan war "unemployed" Pashtu warriors, both members of the Taliban movement and other "unemployed" soldiers will find their way from Afghanistan to Kashmir. This fear is not totally unfounded. The open insurgency in Kashmir broke out in 1989, when the Soviet Union withdrew from Afghanistan. Many Pashtus with Afghan nationality moved to Kashmir and since then Pashtus have had a leading role in the military branches of the insurgency organisations.

In October 2001 the Parliament in Srinagar, which is the capital of the Indian State of Jammu and Kashmir, was targeted in a bomb attack that killed more than forty persons. On 13 December 2001 five armed men tried to enter the Indian Parliament in New Delhi. Security guards killed them before they were able to enter into the buildings, but thirteen persons were killed, among them the five perpetrators, who were all from Pakistan (according to the Indian police). India demanded that Pakistan act against the terrorist organisations that are operating out of Pakistani territory. The immediate responses were expressions of condolences but denial of any involvement of Pakistanis in the attack and a warning from Musharaf to India not to escalate the conflict.

Widespread demonstrations in Indian cities and a vociferous Hindu opinion have demanded armed action against Pakistan. Initially bus- and train traffic to Pakistan were suspended as a punishment. Indian army units were deployed in the areas bordering on Pakistan and air force units have been moved closer to that border and navy forces have been operating in the waters close to Pakistan. Prithvi missiles, a type of artillery missile with a capability to carry a nuclear weapon, have also been moved up to Kashmir. Pakistan has responded with troop reinforcements and there have been artillery-duels along the border.

Pakistan, on its side, has disclaimed that any missiles have been moved to the border regions and instead invited India to negotiations and to present the evidence that can make possible an effective search for the members of the movements responsible for the attacks on the Indian parliamentary buildings. The Foreign Minister of India has declined the invitations to negotiate and dismissed appeals for restraint from the UN Secretary General, USA, EU, Russia, China and Iran. Instead the measures of retaliation have been reinforced by a prohibition for Pakistani civil aviation to pass over Indian Territory.

As with Israel's demands on Arafat in the Palestine issue, the demands from India to Musharaf include that extremist elements shall be punished actively by a weak government that is not in full control over its citizens and which runs the risk of being overturned if it tries. The Indian agenda is complicated by the fact that the party that dominates the governing coalition already before its access to power had promised a harder policy in the Kashmir issue and that hot pursuit should be carried out into Pakistani territory. That government, and especially those of its members who have had the highest profile during the election campaigns (as for instance the Minister of Interior Advani) now must live up to the demands from an agitated public opinion. In the beginning of January 2002, Musharaf ordered the seizure of one leader of an accused organisation plus a number of other members of suspected organisations (two

hundred according to some media reports). However, these measures were regarded as totally insufficient according to the Indian side, even as a starting point for negotiations. Both India's Prime Minister Vajpayee and President Musharaf kept warning their peoples to be prepared for war.

In addition to these problems, India has experienced new problems with its Marxist insurgencies. Indian police have revealed new links of co-operation between different organisations who were not known to have been co-operating before i. a. in Bihar, Jarkhand and Assam, which borders on China, as well as co-operation with Maoist insurgents in nearby Nepal.

Pakistan's intelligence service, ISI, is rumoured to have had a prominent role in the military organisation of the Taliban movement, which emerged from the religious schools in northern Pakistan, the so-called madrassas. ISI is also accused in India of having organised the Pakistani involvement in the insurgency in Kashmir and for having supported it with arms, money and training at madrassas in the Pakistani controlled Kashmir.

For the self-appointed president of Pakistan, General Pervez Musharaf, it represented a serious problem, when Pakistan was confronted with the American demand for an active role in the coalition, difficult because especially the population near the borders with Afghanistan has a political and religious inclination, which is very close to that of the Taliban. To the risks was added that around two million displaced Afghans have been given refuge (according to official Pakistani information) and remained near the borders since several years ago. On the other hand, Pakistan's choice of policy would be important, because its support to the Taliban had been of great strategic value and Taliban was depending a great deal on that support. Both USA and Great Britain made considerable efforts to engage Pakistan in the coalition. They promised, for instance, that the sanctions that had been introduced against Pakistan (and India) for their nuclear tests in 1998 should be abolished and that the country instead should be given development aid.

Musharaf soon saw himself forced to make a decision. He previously had problems with orthodox Islamists and he had i.a. worked against an uncritical introduction of the Shariya law as the law of Pakistan. His support among the population had shrunk somewhat, but it remained strong among the secularised sections of the people. He joined the Great Coalition.

USA was given the right of access to air bases and even bases for certain units of the army. Toward the end of the war, the borders to Afghanistan were closed for fleeing Taliban members and members of Al Qaeda. In order to reinforce his position, he replaced the head of the ISI and several generals in the army, who were known for their islamistic views and replaced them with persons with a more moderate profile.

USA promised initially 500 million USD in assistance, but did not follow up on this promise with concrete commitments of more than 73 million (In January 2002). This has caused a great deal of resentment and a wave of criticism has swept over the country. During some violent protests that took place in the Pashtu parts of Northern Pakistan it appeared, however, that the orthodox opposition which identifies itself with the Taliban movement, is not as strong and extensive as Musharaf might have had reason to fear. The situation has remained under control.

However, the opposition parties have been able to use the situation and Musharaf's problems to their advantage by promoting their positions ahead of the democratic general elections that have been promised at latest in October 2002. Benazir Bhutto has for instance travelled in India and promised better relations with that country, if she is elected president in Pakistan again. She also spread rumours about Musharaf having been responsible for some of the planning of previous armed Pakistani incursions across the Line of Control in Kashmir.

Musharaf's position has become risky during the year of 2002, a problem that has not been eliminated by the successes of the Northern Alliance and USA in Afghanistan, it has rather been worsened. Three important office-holders in the new interim government in Kabul, the ministers for foreign, interior and defence affairs have all been visiting India already, and Russia has a favoured position among the Northern Alliance. Pakistan can again with some reason harbour fears for a common containment policy by the two traditional allies India and Russia. Musharaf is accused of having lost much but gained little, when he chose to line up with USA.

An imminent and serious threat against Pakistan's security emerged by the acts against the parliaments of Kashmir and India performed by Pakistani extremists and causing threats from India about a war with Pakistan. The ensuing demands from India and the initially evasive response from Musharaf have shown how little control he is able to exert over the extremist elements that enjoy a considerable support from the Pashtu segment of the population.

Another serious threat can, in the long term, be that the Pashtus in Afghanistan can be subject to pressure from the segments of the population, especially the Tadjik, Uzbek and Hazara elements that are supported by elements in Tadjikistan, Uzbekistan and Iran. That kind of pressure on the Pashtus in Afghanistan could lead to the re-emergence of the old battle-cry of "Great Pashtustan", meaning a merging of the Pashtu-dominated areas of Pakistan and Afghanistan - and to a risk for partition of Pakistan, namely if the case that the Pashtus in Pakistan feel themselves in opposition to Musharaf's policy regarding religious issues and issues of security.

Musharaf has been pressed by USA that he effectively intervenes against the activities of the terrorist groups in Pakistan. This demand has been a part of the U.S. war plan against terrorism and caused by the co-operation between Al Qaeda and the Kashmiri insurgents and terrorists. Musharaf did for several weeks not dare to go far enough in meeting these demands. Pakistan had no other international ally than China in this situation. Pakistan has been given Chinese support since China fought a war with India in 1962 over border issues. Seen from the Indian horizon, this means that China has indirectly supported Pakistan's active assistance to the Kashmiri militants.

It was therefore logic for Musharaf to visit Beijing, which he did in the beginning of January 2002. There he requested support and was indeed given some reassurances about resuming the traditional strategic co-operation. China has also sent an appeal to India to show restraint and urged India to actively co-operate in finding a solution to the conflict about Kashmir that was said to be behind India's own security problems. Since India does not consider that there exists any international issue about Kashmir (but argues that the situation in the India-controlled Kashmir is an internal Indian matter), this means that China is serious in distancing itself from the Indian policy.

A step away from open conflict has been taken after a visit in January 2002 by the British Prime Minister Tony Blair to India and Pakistan and numerous appeals from heads-of-state, prime ministers and the U.S. Foreign Secretary. Musharaf declared in an important speech on 12 January his intention to introduce an extensive series of new laws and concrete measures in a clampdown on terrorism "for export" from Pakistan. He also declared that it was his intention to eliminate religious extremism and hatred among the population and outlawed five organisations known for engagement in Kashmir and he had some 500 persons arrested. These measures may be the beginning of a solution to the period of high tension between the two countries that was initiated by the 13 December attack on the Indian parliament, but it remains to be seen if these measures will be carried through effectively.

It also remains to be seen if Musharaf can remain in power after having taken so radical measures to establish a tolerant and secularised society in Pakistan.

If Musharaf succeeds, this may be the beginning of a more relaxed period in the relations between India and Pakistan, including for instance the possibility to plan for a common system of pipe-lines from Central Asia for oil and gas and increased trade between the border regions in the two countries that were previously, during the colonial era, one natural economic region. Most of all, it could lead to discussions about a long-term solution to the Kashmir question, but that, on the other hand, is a much more difficult problem to attack.

Uzbekistan is not a member of the military part of the CIS and is considered by its neighbours to harbour a desire to dominate the rest of the region. Uzbekistan was faster than Russia to meet the American demand for support to "the grand coalition". It made sense against the background of the regime for some years having had to fight "terrorism" and "extremism (meaning a small armed rebellion against President Karimov by Islamist hard-liners) and several serious incidents having occurred, among them a bomb attack supposed to be directed against the president himself. The supposed perpetrators had been given refuge in Afghanistan and Taliban refused to limit the freedom of activity of the organisations they belonged to. These were sufficient motifs for Karimov to line up with America and the logistic help that was given to the U.S. forces has meant more in practice than that of any other neighbouring country. It included both the use of air bases and roads. According to official sources, the contents of a secret agreement with USA allows the use of a military airfield in Khanabad for transport flights and "Search and Rescue Operations", but it has been used for troop transports as well. The U.S. Secretary for Defense has talked of the agreement as leading to a long-term military co-operation between the two countries. The Uzbek Government is at present running a budget with a two per cent deficit and 30 November 2001. Uzbekistan was given 100 million USD in grant assistance from USA.

Through its independent attitude toward Russia and CIS and the haste with which it joined the U.S. led coalition and through the subsequent initiation of a military co-operation with America, Uzbekistan has reinforced its own position in the region. This has caused some concern among the neighbours, especially Tadjikistan, that Uzbekistan might use its position to advance its own interests on the cost of those of the others.

In **Tadjikistan**, Russia had played a decisive role for the maintenance of peace during the 1990s and even left some military forces there. They had secretly been used in support of the Northern Alliance in Afghanistan and to guard the Afghan border to Tadjikistan. In this way, Tadjikistan was mostly given its role after the 11 September by making it possible for Russia

to bring in more material and military advisers to the Northern Alliance. The American forces were also granted permission to use three air bases in the country.

Tadjikistan has most reasons among the countries in the region to be careful about Uzbekistan's ambitions. Tadjikistan has several towns and cities connected to each other via roads in Uzbekistan and there are Tadjik minorities in Uzbekistan as well as Uzbek minorities in Tadjikistan.

Kyrgyzstan does not have any common border with Afghanistan and has not had so much to offer USA as Uzbekistan and Tadjikistan. Kyrgyzstan also differs somewhat from the other Central Asian states by being a comparatively democratic state and its parliament has influence on the policy of the country. The Parliament's attitude to USA has been cautious and not overly forthcoming, but toward the end of the war USA was granted access by its military aviation to some airfields as well as to station a few logistical units there. Kyrgyzstan has similar reasons as Tadjikistan to fear Uzbekistan's stronger position in the region by having enclaves on Uzbek territory and Uzbek enclaves on its own territory.

Kazakhstan has also been too far away from Afghanistan to be of cardinal importance to the war effort but it has let U.S. military aviation pass over its territory and helped Russia to help the Northern Alliance. Kazakhstan has been able to attract some investments by U.S. companies and is eager to maintain good relations with America.

Turkmenistan has a different foreign and security policy by having been granted the status of a permanently neutral state by a declaration by the UN General Assembly in 1994 and it did not grant any military assistance to USA during the Afghan war. This had another reason as well. During the last years before 11 September 2001 Turkmenistan had maintained better relations than most other countries with the Taliban regime out of its own interest and geographical position. There had been a Turkmen Consular agent in the city of Herat. Turkmenistan had provided the province of Herat with electric power. There had been regular military contacts with the Taliban about measures against the smuggling of narcotics.

During the war Turkmenistan has sent relief consignments to refugees within Afghanistan and granted transit to international relief consignments through Turkmenistan, especially during the winter, when other roads to Afghanistan are impossible to use.

The consequences of the crisis for the countries of Central Asia

The Afghan crisis had many consequences for the Central Asian countries. The five post-soviets Central Asian states have been vulnerable to the conflict in Afghanistan since the time they became independent and the outcome of the conflict will also have significance for the region. Furthermore, the internal problems in the Central Asian countries have much in common with the problems in Afghanistan. The economic situation is strained and during the last period, the economy has declined in all the countries except Kazakhstan, which has also been the least affected country by the Afghan conflict.

Several of the countries have significant resources, but they have not been able to use them to good advantage and the foreign investments have been limited. As a consequence, the whole region suffers from hard socio-economic conditions with high levels of unemployment. This

has lead to increased competition and both internal and interstate conflicts over the scarce resources that are available for the majority of the population in the form of land or water. A prolonged western military presence could serve to reinforce the socio-economic differences between different parts of the populations in the region, as smaller parts would have the opportunity to use this presence to their advantage, whereas others would not.

Like Afghanistan, the Central Asian countries are fractured into several ethnic groups, which has given rise to conflicts. The large Uzbek minorities in Tadjikistan and Kyrgyzstan have been involved in many inter-ethnic conflicts, as has the large group of ethnic Tadjiks in southeastern Uzbekistan. Since Uzbeks and Tadjiks are the largest ethnic groups within the Northern Alliance, this ethnic divide could increase further if the differences between the parties in the Northern Alliance grow stronger when the mutual enemy has been beaten, which could have consequences both domestically and in inter-state relations. The clan divisions also remain significant in the region and the tension is growing between the clans that were favoured during the Soviet period, which has continued to dominate the political sphere, and the traditionally strongest tribes that are forced to remain in an unfavourable position.

The countries have been ruled by increasingly authoritarian regimes that have forced the opposition underground, which has favoured the radical religious movements. The repression also of non-radical, ordinary Muslims has lead to further discontent and contributed to the increased radicalisation of the religious groups. The position of Islam is strongest in the three countries adjacent to the densely populated and relatively poor Ferghana valley – Kyrgyzstan, Tadjikistan and Uzbekistan – whereas Kazakhstan and Turkmenistan have been less affected by the radical movements. If the extreme control exercised by the totalitarian Turkmen President, Saparmurat Niyazov, would falter, the situation could however change quickly in the latter country because of the latent discontent.

The religious antagonisms are often closely related to the ethnic composition. Since the Uzbeks, and consequently also the Uzbek minorities in the neighbouring countries, traditionally have been the most religious people in the region, it is not surprising that a majority of the supporters for the orthodox or radical Islamic movements are Uzbeks too. As a consequence, there is a risk that all ethnic Uzbeks could become regarded as fundamentalists. Such a situation could easily arise in Tadjikistan or Kyrgystan; the two countries that have been most exposed to, for example, the incursions from *the Islamic Movement of Uzbekistan* (IMU). IMU was earlier primarily focused on the goal to abolish the secular Uzbek regime, but seems to have increasingly widened its agenda. IMU has been sponsored by both the Afghan drug trade and Osama bin Laden and recruits from all over the Central Asian region, but also from Chechnya and ethnic Uighurs from the eastern Chinese Xienjiang province, enforcing the Chinese concerns that the Central Asian states are harbouring separatist Uighurs.

Hizb-ut-Tahrir is another group with many supporters in Uzbekistan, Tadjikistan and Kyrgyzstan that wishes to establish an Islamic caliphate in Central Asia, ruled by the Islamic laws, *shariya*. In contrast to the IMU, *Hizb-ut-Tahrir* has fought for their goals with peaceful means, but it is still severely persecuted by the Central Asian regimes. As a consequence, a senior *Hizb-ut-Tahrir* leader has told Pakistani journalist Ahmed Rashid that he thinks there will be war, despite the organisations peaceful intentions, because of the strong repression of this and other similar organisations. This opinion is shared by several observers, but the realisation seems not to have dawned on the Central Asian regimes, which rather appear to

have increased the persecutions and arrests of alleged extremists after the U.S. campaign against the Taliban and Osama bin Laden.

The Central Asian countries have had several reasons to worry about the development in Afghanistan. A problem that was raised immediately following the U.S. attacks in October 2001 was the fear of increased flows of refugees from Afghanistan. This could create severe problems for, primarily, Tadjikistan that has the most porous border of the three Central Asian states bordering on Afghanistan. Tadjikistan has already been host to a large number of refugees from Afghanistan, which reportedly contributed to an increased radicalisation of the domestic orthodox Islamic groups as well as an increased drug trade. So far, there have not been any major flows of refugees to the Central Asian countries, since the population in the southern part of the country mainly has taken its refuge to Pakistan. However, the situation is still far from stable, and fears of new waves of refugees will remain as long as there is a risk of internal fractions among the anti-Taliban forces.

There have already been reports that IMU-supports have returned to their earlier camp in Tadjikistan. In the present situation, when the population has even more reason to doubt their national leaders' view on Islam, especially in Uzbekistan and among the earlier Islamic opposition in Tadjikistan, the susceptibility for the IMU-ideas can be expected to increase. Furthermore, there have been reports that the IMU has bought large parts of the Taliban store of drugs, which increases the risk for an escalated drug trade through Central Asia to Russia and Europe. The successes of the Northern Alliance bring no relief in this context. The Taliban stopped the production of drugs, but the Northern Alliance has made no such promise. In addition, the internal production of drugs in Central Asia is likely to rise if the demand and prices rise. Tadjikistan is particularly vulnerable in relation to these threats, followed by Kyrgyzstan as the structurally weakest country. If the nation-building process in Tadjikistan would collapse, or the civil war erupt again, there is a large risk that the radical form of Islam that is closely connected to terrorism and drug trade might spread from Afghanistan and further north through the Central Asian region.

Summing up the situation, there have arisen a number of new situations in Central and South Asia and in some cases this leads to new elements of risk. The escalation of the old conflict between India and Pakistan is one example and probably the most immediate one. In the other cases events have occurred that may lead to the probability of a future conflict becoming less improbable than before the war on terrorism.

The most substantial risk is not that any one of these risks is greater per se. The effect is rather caused by that the sum of factors that are wholly or partially unknown to the actors in the region has increased. There is more uncertainty about the long-term intentions of the leaders of other states, and the reactions of the masses of population they are governing may not become obvious until much later. There is also a greatly increased interest by the rest of the world in what is going on in Central Asia, meaning that influence from the outside world will increase and cause additional changes.

This new interest will hopefully be accompanied by a new willingness to contribute with conflict prevention by the international community. That is well motivated by the high stakes involved in any effort to play a power game in Central and South Asia. Five of the seven nuclear powers of the world are present there, namely Russia, USA, China, India and Pakistan. Three of those are also permanent members of the UN Security Council.

There are differences of importance between them. India and Pakistan is one pair of potential adversaries but also USA and China have relations with elements of military competition. The prospects of an uncontrollable escalation, possibly involving all actors of the region, ought to be a sufficiently persuasive argument to convince them about the need for working together to avoid that controversies escalate into conflicts.

ARTICLE No 1

Russia and Threats to Stability in Central Asia
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Russia and Threats to Stability in Central Asia

While the influence of Russia in Central Asia decreased during the 1990s, the engagement of foreign powers increased. The region's energy resources attracted both foreign companies and governments, and plans and projects were drawn up for the exploitation of resources and transport to external markets. At the same time the immediate proximity of Afghanistan implied a serious risk of instability and radical Islamism spreading into Central Asian countries. Central Asia itself had great potential for conflict, with divisions along ethnic, regional, social and religious lines. Russia watched developments in the region with concern and searched for a policy with which to respond.

The purpose of this paper is twofold: first, to analyse how Russia has responded to the situation in Central Asia and how policy changed as Vladimir Putin came to power; **and**, second, to discuss how the 11 September terrorist attack on the U.S. influenced Russia's policy and prospects in Central Asia.

Russian policy responses to instability in wider Central Asia

Instability inside Central Asia

Soon after the break-up of the Soviet Union the Russian Government singled out 'aggressive nationalism and religious intolerance' as threats to security on former Soviet territory. The Russian military doctrine of 1993 mentioned 'social, political, territorial, religious and national/ethnic contradictions' and 'the desire of a number of states and political forces to resolve them by means of armed struggle' as the main reasons for local war and conflict.⁶¹²

The ongoing politicisation and radicalisation of Islam since the late 1980s had resulted in Islamist movements evolving in Central Asia. The 1994 report of the Russian Foreign Intelligence Agency (SVR) under Yevgeniy Primakov explicitly expounded the threat of Islamic extremism growing on former Soviet territory. 'Recently Islamic extremism has been gaining strength as a movement with the aim of spreading Islam by force and suppressing all who oppose this, and of changing the secular character of the state'. The report said that a 'breath' of this extremism had appeared in Tadjikistan and in the Caucasus conflict zone. Moreover, 'the problem of the spread of Islamic extremism is not a local phenomenon'.⁶¹³ The distinction between Islamic fundamentalism and Islamic extremism was carefully pointed out, and the report defined the former as using neither violence nor terrorism. As outlined in one possible future scenario on Commonwealth of Independent States (CIS) territory, the position of 'Islamic extremists in CIS states with a Muslim population' would grow stronger in a situation of social and economic crisis, thereby posing a threat to Russia and to Central Asian states.⁶¹⁴

⁶¹² 'Osnovnye polozheniya voennoi doktriny Rossiiskoi Federatsii', *Krasnaya zvezda*, 19 November 1993.

⁶¹³ 'Rossiya-SNG: Nuzhdaetsya li v korrektyrovke pozitsiya zapada?', *Rossiiskaya gazeta*, 22 September 1994, p.

6.

⁶¹⁴ *Ibid.*

With the 'Troika' of May 1998, Russia managed to create a coalition together with Uzbekistan and Tadjikistan directed against 'religious extremism and other extremism'. However, the joint declaration of October 1998, which included consultations and mutual military assistance in the event of a threat to state sovereignty, was not followed up and not referred to again.

Tadjikistan and Uzbekistan were the countries in Central Asia with a potential for the spread of Islamism. While the roots of the Tadjik civil war (1992-1997) were neither ethnic nor religious but regional, Russia viewed the conflicts through the lens of its fear of radical Islam. It saw the vulnerability of Tadjik society, the danger of the spread of Islamism and the risk that foreign countries such as Iran or Afghanistan would stimulate such a process. The Tadjik Islamic Renaissance Party was the dominant force in the Tadjik United Opposition (UTO).

Against the background of the Taliban takeover of Kabul in September 1996, Russia, however, made a drastic turn towards political compromise with the UTO, and thus with the Islamists. As a result the former opposition was included in the Tadjik government, the executive organs on all administrative levels, and the armed forces. In June 1997 an inter-Tadjik peace agreement was signed and a National Reconciliation Commission was set up to lead the country through a transition period. The UTO was to be integrated into the political and military life of Tadjikistan and to have 30 per cent of the positions in the national government as well as executive organs on all administrative levels.⁶¹⁵ The Islamic Renaissance Party was made legal. After presidential and parliamentary elections the peace process formally ended, and in June 2000 the CIS peacekeeping mandate was not extended. This was a successful instance of conflict resolution, but the political situation in Tadjikistan remained fragile. Since 1995 the extremist organization Hizb e-Takhrir has been active in Tadjikistan, Uzbekistan and Kyrgyzstan, and has intensified its activities in recent years.

The Islamic Renaissance Party in Tadjikistan developed as an organization of moderate Islamists. Its creation was part of the trends of re-Islamization, politicisation and radicalisation of Islam in Central Asia that were initiated during Gorbachev's perestroika in the late 1980s. This process accelerated after the break-up of the Soviet Union as the societies in Central Asia searched for their roots and for identity, norms and values.⁶¹⁶ As a result Islam became an important political factor, first of all for the opposition but later also for the regimes. During this process radical Islam gained a strong foothold in the densely populated Uzbek part of the Ferghana Valley. Radical Islam remained a limited phenomenon in Central Asia as a whole, but the risk of it spreading was regarded as considerable because of the worsening socio-economic conditions in the region and the complicated ethnic situation in the Ferghana Valley, where Uzbekistan, Tadjikistan and Kyrgyzstan meet.

Hizb e-Takhrir and the Islamic Movement of Uzbekistan (IMU) were accused of preparing for the creation of a khalifat, an Islamist state to cover most of Central Asia centred around the Ferghana Valley. Such a state would among other things violate existing state borders.

⁶¹⁵ Lena Jonson, *The Tadjik War: A Challenge to Russian Policy*. London: Royal Institute of International Affairs, 1998.

⁶¹⁶ Aleksei Malashenko, 'Islam and politics in Central Asian States: Political Islam and conflicts' in *Russia and Central Asia*, edited by Lena Jonson and Murad Esenov. Stockholm: Swedish Institute of International Affairs, 1999.

Uzbekistan has the greatest potential for extremism. The bomb explosions in Tashkent in February 1999, for which members of the Islamic IMU were accused, indicated a new situation. When fighters from the IMU intruded into southern Kyrgyzstan in August 1999, taking hostages (among them foreigners), the new Russian Prime Minister, Vladimir Putin, immediately defined terrorism as the main threat to Central Asian security. Putin made the anti-terrorist struggle a first-ranking issue in his policy towards Central Asia within the CIS, in the organs of the Treaty of Collective Security, and in bilateral relations. Putin was prepared to use the opportunity to rally Central Asian support behind Russia in joint efforts against terrorism. He sent equipment and advisers to Kyrgyzstan, although he refused to contribute Russian troops. The large contingent of the Russian 201st Division deployed in Tadjikistan and the Russian border guards along the Tadjik border with Afghanistan were not relocated.

Afghanistan

When the Taliban took over in 1996, Russia continued to recognize the government of Burhanuddin Rabbani and tried to coordinate the Central Asian states in a joint anti-Taliban military and security coalition, but the Central Asians did not want to join.

After the withdrawal of Soviet forces from Afghanistan in 1989, Moscow had kept a low profile in the country. The situation in Afghanistan after the Soviet withdrawal had resulted in war between different factions, and in April 1992 the Islamic State of Afghanistan was declared. When Rabbani took over as president in June 1992 he received the backing of Russia. However, rival Islamic factions continued their fight for power and the country fragmented into a cluster of self-ruled and self-sustaining regions.⁶¹⁷ The turmoil in the country following from armed struggle between different Islamist factions and the way some of the factions played the 'Tadjik card', interfering in domestic Tadjik affairs, became a matter of deep concern to Russia.⁶¹⁸ Tadjik opposition leaders found refuge and were allowed camps on Afghan territory. Afghanistan became a 'black hole' into which it threatened to draw neighbouring Central Asian societies.

When the Taliban took over Kabul, Russia materially supported the Northern Alliance, which was led by two commanders-Abdurrashid Dostum, an ethnic Uzbek, and Ahmed Shah Massoud, an ethnic Tadjik. As the Taliban advanced to the north in 1998, Dostum was ousted and Massoud was squeezed into the northeast corner of Afghanistan, Russia intensified its political and material support for Massoud.

Except for the formation of the Troika, Russia did not succeed in 1998 in integrating the Central Asians in military and defence cooperation because of the Taliban regime in Afghanistan. Turkmenistan had maintained contacts with the Taliban regime, and in 1998 Uzbekistan started to indicate a wish to normalize relations with the Taliban regime, in spite of the fact that it did not politically support or agree with the Taliban.

⁶¹⁷ Vyacheslav Belokrenitsky, 'Russian-Afghan relations' in *Russia and Asia: The Emerging Security Agenda*, edited by Gennady Chufirin. Oxford: Oxford University Press for SIPRI, 1999, p. 199.

⁶¹⁸ A. D. Davydov (ed.), *Afganistan: problemy voyny i mira*. Moskva: Institut Vostokovedeniya RAN, 1996, p. 144.

The 1994 SVR report pointed to Afghanistan as a major source of destabilization in the whole of Central Asia, primarily for religious reasons but also because of ethnic factors. The report warned that forces in Afghanistan were trying to associate northern Afghanistan with Tadjikistan in order to create a new state of Dari-speaking people across the border. More Tadjiks live in northern Afghanistan than in Tadjikistan proper.

When the Taliban successfully intensified their offensive in the north against Massoud in the spring of 2000, Russia became even more frustrated in its search for a response to the situation. Russia feared that the Taliban were waging the final offensive against the Northern Alliance.

The stresses caused by the Taliban offensive added to the contradictions and interdepartmental struggles within the Russian leadership over the response to the threat. On 23 May 2000 Putin's spokesman, Sergei Yastrzhembsky, announced the possibility of a preventive air attack on Afghanistan and what were said to be training camps for terrorists. This was confirmed by such senior officials as the highly influential Secretary of the Russian Security Council, Sergei Ivanov, Defence Minister Igor Sergeev and Deputy Prime Minister Ilya Klebanov.⁶¹⁹ Ivanov declared that Russia might consider bombing Afghanistan to prevent it from supporting and encouraging terrorist activities in Central Asia, saying that Russia would not rule out any methods or means.

However, even though all the parties to the Treaty of Collective Security shared the view that Afghanistan was a primary source of instability in Central Asia, they did not agree to air strikes. President Karimov of Uzbekistan (since April 1999 no longer a party to the Treaty) made it clear that he thought the very idea ridiculous. It came as no surprise when Ivanov had to back down from his statement. When the October 2000 CIS summit meeting in Bishkek decided to create a CIS collective rapid-reaction force, Ivanov stressed that this decision did not indicate any intention to attack Afghanistan. Preventive measures with regard to Afghanistan would be of a political–diplomatic nature only, he said.⁶²⁰

It became increasingly difficult for Moscow to deal with the issue of Afghanistan as the Central Asian states in general, and Uzbekistan in particular, so clearly distanced themselves from Ivanov's warnings and seemed instead to be adapting to the fact that the Taliban were in power in Afghanistan. Uzbekistan, which had already become less militant in its stance towards the Taliban in 1998, became more conciliatory towards them as they advanced north in the summer of 2000. On 22 September 2000 at the UN Millennium Summit President Karimov declared that it there was a need to study the influence and possibilities of the Taliban and to reach agreements with them.⁶²¹ In October, talks were initiated between the Uzbek and Afghan ambassadors in Pakistan on the possibilities for trade and for opening up a 'port' on the Uzbek–Afghan border.⁶²² Kazakhstan from its distance had never been very concerned about the 'Taliban threat', but in the autumn of 2000 it also urged talks and

⁶¹⁹ The Russian press expected Uzbek support for these threats. Aleksei Mironov, 'Plany Moskvyy nikogo ne udivili v Tashkente', *Nezavisimaya gazeta*, 25 May 2000, p. 5.

⁶²⁰ Lyudmila Romanova, 'Sozdaiutsya sily bystrogo reagirovaniya', *Nezavisimaya gazeta*, 12 October 2000, p. 1.

⁶²¹ Quoted by Konstantin Zatulin and Ekaterina Tesemnikova, 'Rossiya v sodruzhestve i vne ego', *Nezavisimaya gazeta*, 27 October 2000, p. 5.

⁶²² Afghan Islamic Press News Agency, Peshawar, 14 October 2000/BBC SWM SU/3973 G/1.

contacts with the Taliban.⁶²³ Like Turkmenistan and Uzbekistan, the Kazakh Government also called for peacemaking in northern Afghanistan, accommodation with the Taliban authorities and internationally sponsored economic reconstruction in Afghanistan as a whole.⁶²⁴ In October 2000 the Tadjik Government, which had not been interested in either recognizing the Taliban or initiating a dialogue, declared that it did not consider the Taliban to be a direct threat to Tadjik national security. Most Tadjik political scientists were of the opinion that the Taliban would not cross the border from Afghanistan.⁶²⁵

The Russian officials in favour of bombing had to retreat from their position, and to intensify its diplomatic efforts. Already in 1998 the 'six plus two' talks on the future of Afghanistan had been initiated between Russia, the U.S., and Afghanistan's neighbours Turkmenistan, Uzbekistan, Tadjikistan, Iran, Pakistan and China. In August 2000 Russia and the U.S. initiated bilateral talks on Afghanistan. In December 2000 Russia and the U.S. achieved a UN Security Council resolution strengthening sanctions against the Taliban regime. The Central Asian states supported the resolution but still wanted to normalize relations with the Taliban regime.

To Russia the Taliban regime could not be understood in isolation from its support and financing of Central Asian-bred terrorism. Afghanistan under Taliban rule, and especially since Usama bin Laden returned there in 1996, had come to be viewed as the centre of a terrorist network. The Taliban regime was accused of making the country a refuge for international terrorism with activities in Central Asia, Chechnya and Xinjiang, and of hosting training camps for terrorists.⁶²⁶ The Russian authorities shared with their colleagues in the U.S. the conviction that bin Laden were financing the Taliban regime and its support for foreign terrorist groups. Russia saw a worldwide network, which Putin termed 'an arc of instability stretching from the Philippines to Kosovo.'⁶²⁷

Putin's anti-terrorist campaign in Central Asia

When Islamic fighters intruded into southern Kyrgyzstan in August 1999, Putin was quick to introduce the anti-terrorist struggle as the first-ranking issue in Russia's policy for Central Asia. He clearly stressed the link between the Taliban and extremist and terrorist organizations in Central Asia, as well as in the arc of instability 'from the Philippines to Kosovo.

At the CIS summit in January 2000 the important decisions were taken to work out a CIS Anti-terrorist Programme and prepare to set up a CIS Anti-Terrorist Centre. This was

⁶²³ In November 2000 Kazakh leaders stated publicly that they had been in contact with the Taliban for more than a year, described the Taliban as a major legitimate political force and called for an urgent end to the fighting and an end to outside interference in the conflict. Prime Minister Kasymzhomart Tokaev declared that: 'In no way should the Taliban be made into an object of ostracism'. *Jamestown Monitor*, 10 November 2000, Issue 211.

⁶²⁴ Stated when Pakistan's Head of Executive Power, General Pervez Musharraf, conferred with President Nazarbayev and other top Kazakh officials in Astana. *Jamestown Monitor*, 9 November 2000, Issue 210.

⁶²⁵ Viktoriya Panfilova, 'Osnovnoi tsentr terrorizma peremestilsya k yuzhnym rubezham SNG', *Nezavisimaya gazeta*, 26 October 2000, p. 5.

⁶²⁶ See, for example, the declarations from the CIS meeting of the commanders of border troops on 19 February 2001. Interfax, 20 February 2001.

⁶²⁷ See, for example, the press conference with Putin on 23 July 2000. *Diplomaticheskii vestnik*, 2000 No 8 (August), p. 101.

followed up on 20–21 June 2000 at a series of CIS sessions in Moscow - of the councils of heads of state, heads of government and foreign ministers. A Programme on the Struggle against International Terrorism and other Forms of Extremism up to 2003 was adopted, and the decision to set up the CIS Anti-Terrorist Centre was taken.⁶²⁸ In October 2000 a decision in principle was taken to create regional collective security forces under the Treaty of Collective Security, and the first was to be the Central Asian force. In May 2001 the treaty organization decided to set up a rapid-deployment force for anti-terrorist purposes in Central Asia.

Russia approached Uzbekistan to persuade it to join the anti-terrorist coalition. Uzbekistan, however, did not want to join multilateral CIS military structures, and (since April 1999) was no longer a member of the Treaty of Collective Security. A series of bilateral agreements were therefore signed. Uzbekistan started to participate in anti-terrorist military exercises with Russia and other Central Asian members of the Treaty. However, the Uzbek forces participating remained in Uzbekistan and no troops were sent to participate directly with Russian, Kazakh, Kyrgyz and Tadjik troops.

Putin also introduced the anti-terrorist struggle as a major issue for cooperation in his relations with China. In July 1998 a summit of the 'Shanghai Five' - China, Kazakhstan, Kyrgyzstan, Russia and Tadjikistan—discussed the strengthening of regional peace, stability and economic cooperation, focusing on common efforts to fight separatism, religious fundamentalism, terrorism, illegal arms trafficking and the illegal drugs trade.⁶²⁹ Due to the efforts of Russia, the Bishkek summit of the Shanghai Five in August 1999 adopted a declaration on fighting 'separatism, religious extremism and terrorism'.⁶³⁰ The Bishkek Declaration reflected a shift in emphasis of the group. During the following summits in Astana and Dushanbe in 2000 the themes from Bishkek were reaffirmed and developed. In Dushanbe in July 2000 the name of the group was changed to the Shanghai Forum as Uzbekistan joined as an observer. It was decided to form Council of National Coordinators of the Shanghai Forum and to regularize the meetings of the five heads of government, foreign ministers and defence ministers.⁶³¹ The organization focused on the struggle against 'international terrorism, religious extremism and national separatism', as the formula runs.⁶³²

In June 2001 the organization changed its name to the Shanghai Cooperation Organization (SCO) and Uzbekistan became a full member.⁶³³

⁶²⁸ 'Zasedaniya vyshykh organov SNG', *Diplomaticheskii vestnik*, 2000, No 7, July, pp. 47–48.

⁶²⁹ *Renmin Ribao*, 4 July 1998, referred to by Guangcheng Xing, 'China and Central Asia' in *Central Asian Security: The New International Context*, edited by Roy Allison and Lena Jonson. Washington, DC: Brookings Institution Press, 2001.

⁶³⁰ For the joint declaration by the summit see ITAR-TASS, 25 August 1999.

⁶³¹ Roy Allison, 'Structures and frameworks for security policy cooperation in Central Asia' in *Central Asian Security. The New International Context*, edited by Roy Allison and Lena Jonson. Washington, DC: Brookings Institution Press, 2001.

⁶³² 'Sovmestnoe kommyunike po itogam vstrechi ministrov inostrannykh del respubliki Kazakhstan, Kitaiskoi Narodnoi Respubliki, Kyrgyzskoi Respubliki, Rossiiskoi Federatsii I Respubliki Tadjikistan' (Dushanbe 4 July 2000), *Diplomaticheskii vestnik*, 2000 No 8 (August), pp.14-16.

⁶³³ For a more detailed presentation of the organization see the analyses by Roy Allison on subregional security cooperation in Central Asia. Roy Allison, 'Policy cooperation in Central Asia' in *Central Asian Security: The New International Context*, edited by Roy Allison and Lena Jonson. Washington, DC: Brookings Institution Press, 2001; and Roy Allison, 'Subregional cooperation and security in the CIS' in *Building Security in the New States of Eurasia: Subregional Cooperation in the Former Soviet Space*, edited by Renata Dwan and Oleksandr Pavliuk. EastWest Institute. New York and London: M. E. Sharpe. 2000.

Russian policy responses to foreign engagement in wider Central Asia

The energy resources of Kazakhstan and Turkmenistan increased the foreign interest in wider Central Asia. As a result not only did tension increase between Russian and foreign, first of all U.S., interests: foreign engagement also stimulated tensions within individual countries. Thus, the competition between the Argentinean company Bridas and the U.S. Unocal for the option to build oil pipeline through Afghanistan further contributed to destabilize Afghanistan and to the rise to power of the Taliban.⁶³⁴ When Putin became Prime Minister, a more determined Russian effort was initiated to prevent the Baku–Ceyhan oil pipeline project, and above all the plans for a gas pipeline under the Caspian Sea from Turkmenistan to Baku, from being realized. Financial problems, continuing local conflicts along the planned route and the unresolved issue of the legal status of the Caspian Sea contributed to delay the oil pipeline and to kill the planned gas pipeline. (The U.S. had succeeded in blocking all the options for pipeline through Iran to Turkey, but a ‘swap’ arrangement was made as Turkmen oil was swapped in northern Iran for Iranian oil being exported from southern Iran.) In autumn 2001 a new route became operational between the Tengiz oilfields in Kazakhstan and the Russian Black Sea port of Novorossiisk. Russia thereby increased its capacity for handling oil from Kazakhstan and could now, for the time being, satisfy demand for the transport of oil from Kazakhstan. Agreements on increased imports of Turkmen gas by Russia also partly satisfied Turkmenistan’s interests.

The rivalry between Russian and foreign interests in the region led many analysts to refer to a new ‘Great Game’, with parallels to the late 19th century. Putin’s policy of presenting a more determined response to foreign energy interests in the Caspian region seemed to be succeeding, but Russia still had to live with a large foreign engagement.

Putin’s policy of building CIS and Treaty-based structures for a joint anti-terrorist struggle in Central Asia seemed to have changed the trend of Russia losing influence in the region. Russia’s previous efforts at military and economic integration had failed. Putin’s anti-terrorism agenda, however, seemed to be yielding results.

The cooperation between Russia, China and four Central Asian states in the Shanghai Cooperation Organization, which concentrated on regional security and above all the anti-terrorist struggle, was an effort to exclude the U.S. from Central Asian security affairs. U.S. security cooperation within the NATO Partnership for Peace programme was becoming more and more attractive to the Central Asian states. Russia was especially concerned by the fact that Uzbekistan was developing its relations with the U.S. and left the Treaty of Collective Security.

There was a fear in the West that Russia was trying to develop a strategic anti-American alliance with China and Iran. These states were concerned not only with the expanding U.S. influence in Central Asia but also with the ‘unilateralism’ which they believed the U.S. represented, as demonstrated in U.S. and NATO bombing of Serbia in the Kosovo conflict. However, even if both China and Iran had raised their profiles with regard to economic cooperation with the states of the region, they were less important in security affairs. China

⁶³⁴ Akhmed Rashid, *The Taliban*.

had begun deliveries of arms to Uzbekistan and initiated a series of visits by military delegations, but so far on a fairly modest level. After its initial efforts to support insurgency, Iran had become a supporter of regional stability. Both China and Iran respected Russia's strategic interests in Central Asia.

Post-11 September: Russian policy

The 11 September terrorist attack in the U.S. radically changed the situation in Central Asia. When the attack took place, President Putin was the first to call U.S. President Bush, declare his sympathy and give his support. Frustrated by the terrorist threat in general and an inability to influence the situation in Afghanistan, Putin saw that the U.S. might be able to do what Russia had not to overthrow the Taliban regime.

Already before 11 September Putin had made the anti-terrorist struggle the priority issue on his agenda, not only in relation to the Central Asian states and the CIS, but also in introducing it to Asian and European leaders. Thus, after 11 September Putin simply followed his own trajectory while at the same time reaping the benefits of cooperation with the U.S. in the developing situation. Putin opened Russian air space to U.S. aircraft on humanitarian, reconnaissance and search missions. Russia shared with the U.S. its own intelligence information on Afghanistan. The most important part of the deal, however, was that Putin accepted Tadjikistan's making an agreement with the U.S. opening three military airfields to the U.S. in Kulyab, Kurgan-Tyube and Khojand). With regard to Uzbekistan's agreement with the U.S. on the temporary deployment of 1000 men at the airport in Kashli in southern Uzbekistan, Russia had less influence. Yet in the present situation the U.S. Government would hardly have acted contrary to Russia's wishes.

When the U.S. started to support the Northern Alliance as the local force to overthrow the Taliban regime, Russia increased its support for the Alliance but first of all to the Tadjik part of it. The U.S., on the other hand, supported the Uzbek part under commander Dostum. U.S. bombing paved the way for troops from the Northern Alliance to advance, and U.S. special units provided intelligence on the Taliban troops.

Within Russia there are different views on Putin's support for the U.S. When Putin held a meeting on 17 October with Russian generals on Russian military interests in Afghanistan and the Central Asian states, the military warned that the creation of U.S. military bases would threaten Russian interests in the region⁶³⁵ and that the most important task was to neutralize the growing U.S. influence. The military therefore suggested that Russia should radically increase its financial support for the Tadjik commander Fakhim so that he could expand his control, as Dostum was doing with U.S. support.

Putin stated clearly that Rabbani was the legitimate leader, while at the same time claiming that the new government should be open to all ethnic groups. In contrast to the U.S. and Pakistan, Putin saw no role for any moderate Taliban in a new Afghan government. In November the Northern Alliance entered Kabul in spite of U.S. advice to wait until a new

⁶³⁵ Vladimir Georgiev, 'Uzbekistan prodalsya Vashingtonu za 8 mld. dollarov', *Nezavisimaya gazeta*, 19 October 2001, p. 1. The military complained that the U.S. Air Force only bombed those target which would benefit Dostum and his troops but not the Tadjik troops.

coalition government had been formed. Rabbani, an ethnic Tadjik, returned to Kabul as the leader of a temporary Afghan government and declared that he favoured a government of all ethnic groups. The fact that he could declare this from Kabul improved his own chances for a future key position.

The different interests of the U.S., Russia and the neighbouring states with regard to the composition of a new Afghan government soon became evident.⁶³⁶ The U.S. and Pakistan were of the opinion that a new government should be open to moderate Taliban. With a Pashtun population of its own and a strong domestic contingent of Taliban followers, Pakistan's position went against Russia's. Russia, Rabbani and Tadjikistan explicitly excluded Taliban of any kind.

The political constellation of power in the wider Central Asian region had been formed before 11 September along an axis of Russia - China - Iran facing the U.S. - Uzbekistan - Pakistan. Even if Russia, China and Iran had no formal coalition or any deeper partnership relations, they shared a general fear of the growing U.S. presence in Central Asia and the Caucasus.

In and around Afghanistan Russia was able to improve its situation. While the U.S. dominated the anti-terrorist coalition, Russia's role in the region and in Afghanistan could not be overlooked. Russian specialists recommended that Russian take on a role as the major political player in Afghanistan but are flexible and take into account the different interests of the Afghan factions and neighbouring states.⁶³⁷ Russia opened the first embassy in Kabul and was determined to play an active diplomatic role. The U.S. thus had to respect Russia's interests in a future Afghan government and to put up with Russia's cooperation with both Iran and China.

Thus, as U.S. Defence Secretary Donald Rumsfeld visited Uzbekistan in early October, Russia intensified its relations with Iran. On 2 October a Russian–Iranian agreement was signed on military–technical cooperation. The two countries will establish a complex system of anti-air defence (PVO).⁶³⁸

As discussed in the West, Putin was in a dilemma, as his closer cooperation with the U.S. could jeopardize his relations with Iran and China. However, Russia's cooperation with both is tactical rather than strategic. In the historic memory of all three countries there is both suspicion and strategic rivalry with regard to Central Asia. Russia does not trust Iran or China, since both are interested to break out of their isolation and improve their relations with the U.S., and therefore prepared to disregard Russia if necessary. Russia is therefore entering close cooperation with the U.S., but at the same time does not want to impair its relations with either Iran or China. Since Russia was 'on board' the U.S. coalition and had not risked becoming isolated, it could contribute to a rapprochement between the U.S., and Iran and China.

While Putin could be considered to be playing a risky game and there were critical voices within Russia, there was also strong support for his policy. Putin was able to reap the benefits

⁶³⁶ Aleksandr Umnov, 'Rossiya i Pakistan na afganskom pole', *Nezavisimaya gazeta*, 17 October 2001, p. 6.

⁶³⁷ Viktor Korgun, 'Vozvrashchayas iz politicheskogo nebytiya', *NG Sodruzhestvo*, 6 November 2001, *ezavisimaya gazeta*, ??

⁶³⁸ Sergei Sokut, 'Rossiiskii otvet Amerike', *Nezavisimoe voennoe obozrenie*, 5–11 October 2001, No 37, pp. 1 and 3.

out of the situation on the international as well as the domestic scene. Putin's support for the U.S. gave Russia a status as a great power, an equal and a partner of the U.S. in the present anti-terrorist struggle. Thus NATO Secretary General George Robertson suggested new Council of Russia and all NATO states to deal with issues of terrorism and proliferation. The process of Russia joining the World Trade Organization was speeded up, and criticism of the Russian military campaign in Chechnya more or less ceased; instead Chechnya was looked upon in the West as another front of the worldwide anti-terrorist struggle. Nevertheless, domestic criticism placed some constraints on Putin from his constituencies among the military and nationalists.

Prospects for the future

With regard to Russian prospects in Central Asia, four scenarios could be drawn by November 2001.

- 1) Without doubt the U.S. component in Central Asian security will increase as a result of increased international cooperation after September 2001. Yet, while Russia in early 2000 may still have been worried about increasing U.S. activity in the security field in the region, Russia in the autumn of 2001 is acting with greater self-confidence. Since it has to be on board the international anti-terrorist coalition, what Russia considers to be its national interests in Central Asia will have to be respected as such by the West. This may create a new situation in which Russia has the opportunity to further increase its influence in Central Asian security affairs with the blessing of the West.
- 2) In an alternative development, closer cooperation between the U.S. and Uzbekistan may change the constellation of power in the region. In that case U.S. engagement will remain and U.S. influence grow at the expense of Russian influence in the region.
- 3) In a third scenario, cooperation between Russia and the U.S. continues in order to support peace and stability in Afghanistan and also in Central Asia. There will be different interests, first of all concerning the composition of a new Afghan government, but these differences will be kept within the framework of cooperation.
- 4) In a fourth scenario the U.S. bombing of Afghanistan initiates a chain reaction, completely unpredictable, which seriously undermines U.S. as well as Russian influence in the wider Central Asian region. Since 11 September some Russian observers have warned about the domestic bases for terrorism inside Central Asia, particularly in the Uzbek part of the Fergana Valley, and the activities of the Hizb e-Takhrir.⁶³⁹ Whether there will be a radicalisation of politics and of Islam inside Central Asia depends to a great extent on whether the international community is able to engage in programmes for assistance for democratisation and economic development.

While the third scenario seems the most probable at present, none of the other three can yet be excluded.

⁶³⁹ Igor Rotar, 'Strannaya voina vblizi granits SNG', *Nezavisimaya gazeta*, 6 November 2001, p. 11; and Igor Rotar, 'Sleduyushchaya mishen', *Nezavisimoe voennoe obozrenie*, 21–27 September 2001, No. 35, p. 3.

ARTICLE No 2

Impact of the Taliban Regime on Security in the Central Asian Region By Oscar Schlyter

The present article deals with security perceptions in a region that experienced the rapid emergence of a religious movement in fragmented state. The Taliban movement turned up at the Afghan scene seemingly out of the blue. It quickly rose to power and within a few years dominated the majority of Afghanistan's territory. Recent developments in Afghanistan seem to imply that the Taliban might be disappearing as sudden as the movement appeared. Afghanistan has on several occasions in history been the chessboard and target of geopolitical struggles, through great games between different states. The main purpose of this article is to analyse the settings of the security dynamics of the region around Afghanistan before the terror attacks against the World Trade Center and the Pentagon on September 11. As will be outlined in the final part of the article we might now, in December of 2001, be witnessing the prelude to a new struggle over a war torn Afghanistan placed at the crossroads of Central Asia.

Part I of this paper describe the rise of the Taliban movement and give a general background to the civil war. The main players during the Soviet occupation and the complicated struggle that followed the Soviet withdrawal is summarised to display the situation in Afghanistan at the time when the Taliban appeared. The base of the Taliban in terms of beliefs and policy is also given. This provides the seating for the central part of the article.

Part II includes a survey of the security concerns regarding the Taliban of states in the Central Asian region and the South Asian region. The countries covered in the study are Pakistan, India, Iran, Tadjikistan, Turkmenistan, Uzbekistan, China, Russia, Saudi Arabia and the USA. In addition, the security concerns of the Taliban regime is briefly outlined. The security concerns are mainly represented through statements and policy documents from the countries concerned. To make the analysis more accessible the security concerns has been divided into different issue-areas, mainly ethnic relations and religion, geopolitics, drugs smuggling, terrorism and in the case of the USA, human rights.

PART I

Afghanistan after Soviet occupation

A long period of power struggle and civil war started when the last Soviet troops withdrew from Afghanistan in February 1989 after nearly ten years of conflict. The Soviets had initiated the occupation to prevent the spread of radical Islam from Afghanistan to the then Soviet Central Asian republics. A pro-Soviet ruler was established in Kabul. President Syed Mohammad Najibullah who took up office in 1986 managed to stay in that position for a few years thanks to the military supplies he received from the Soviet Union. But after the failed August 1991 coup in Moscow, the support came to an end and Najibullah resigned in April 1992.⁶⁴⁰

During the war against the Soviet Union, the different factions of the Mujahedeen were able to keep their ethnic, religious and political differences largely at bay. While most Mujahedeen factions were based in Pakistan during the Soviet occupation they had only limited contacts

⁶⁴⁰ Maley, William, 'Introduction - Interpreting the Taliban', in Maley, William (ed.), *Fundamentalism reborn? Afghanistan and the Taliban*, Hurst & Company, London, 1998, pages 8-9

with each other. Among the more important Mujahedeen leaders, most of whom still feature on the Afghan political scene today, were Gulbuddin Hikmatyar - a Pushtun and fundamental Islamist, Abdul Rashid Dostum - Uzbek, and Ahmed Shah Masood and Burhanuddin Rabbani - both Tadjiks. The Pakistani-based Mujahedeen maintained no contacts with the different Shiite Mujahedeen groups based in Iran.⁶⁴¹

After the fall of the Najibullah regime in 1992, the animosities between the different factions of the Mujahedeen came to the fore. The Tadjik and Uzbek militias controlled Kabul together with Hazara guerrillas. Hikmatyar did not approve of the situation and started to shell Kabul. A short-term agreement in April 1992, called the Peshawar agreement, put a temporary end to hostilities. However, President Rabbani managed several times to prolong his term in office in violation to the Peshawar agreement, which prescribed a power-sharing model with regular change of government posts.⁶⁴² Kabul remained under control by Tadjiks, Uzbeks and Hazaras. Hikmatyar and his Pushtuns did not recognise the Rabbani government and in August 1992, Hikmatyar launched a massive rocket attack on Kabul.⁶⁴³

A new interim agreement was concluded in March 1993 but did only serve to make the situation worse. The legitimacy of the new government was put in question since opposition leader Dostum, on Hikmatyar's demand, had been excluded from government. From his base in Northern Afghanistan, Dostum controlled 9 of 29 Afghan provinces. In response to Hikmatyar's demand, Dostum declared himself president over a breakaway state in Northern Afghanistan. Dostum was also in possession of the largest and most well organised armed forces in the country and posed a constant threat to Kabul.⁶⁴⁴ The government in Kabul did not function very well. Hikmatyar felt badly treated and refused to take part in the governance of the country. Instead, in January 1994, he started shelling the capital again with rockets and mortars and imposed blockades to bring through his demands for more power.⁶⁴⁵ Afghanistan was at this point controlled by different organisations, parties and warlords. Apart from Dostum's breakaway state in the north, Rabbani controlled Kabul while the Northeast and east of Kabul was under Hikmatyar's command. The Hazaras controlled the province of Bamiyan in central Afghanistan and Ismail Khan ruled the three provinces around Herat. Finally, the southern parts around Kandahar were without an effective government and were under the yoke of criminal warlords. A Pushtun-dominated Mujahedeen council based in Jalalabad governed three provinces in the east along the border to Pakistan. This division provided the breeding ground for the quick rise of the Taliban that took off during the summer of 1994.⁶⁴⁶

Another important factor for the developments in and around Afghanistan, was the breakdown of the Soviet Union and the subsequent creation of five new states in Central Asia; Kazakhstan, Kyrgyzstan, Tadjikistan, Turkmenistan and Uzbekistan. These developments

⁶⁴¹ Saikal, Amin, 'The Rabbani government, 1992-1996', in in Maley, William (ed.), *Fundamentalism reborn? Afghanistan and the Taliban*, Hurst & Company, London, 1998, page 30

⁶⁴² Hiro, Dilip, *Between Marx and Muhammad - The changing face of Central Asia*, HarperCollins Publishers, London, 1994, pages 263-264

⁶⁴³ Saikal, Amin, 'The Rabbani government, 1992-1996', in in Maley, William (ed.), *Fundamentalism reborn? Afghanistan and the Taliban*, Hurst & Company, London, 1998, page 33

⁶⁴⁴ Hiro, Dilip, *Between Marx and Muhammad - The changing face of Central Asia*, HarperCollins Publishers, London, 1994, page 267

⁶⁴⁵ Saikal, Amin, 'The Rabbani government, 1992-1996', in in Maley, William (ed.), *Fundamentalism reborn? Afghanistan and the Taliban*, Hurst & Company, London, 1998, page 33

⁶⁴⁶ Rashid, Ahmed, *Taliban - Islam, Oil and the New Great game in Central Asia*, I.B. Tauris Publishers, London, 2000, page 21

increased the ethnic angle to the conflict. Even before the Taliban appeared, the Central Asian states were involved in the Afghan civil war. Dostum is for example reported to have been supported by Uzbek tanks during a coup attempt against the Rabbani government in 1994.⁶⁴⁷ Other states were simultaneously trying to push their particular agendas. Pakistan was, through its influential military intelligence organisation the Inter-Services Intelligence (ISI), promoting Hikmatyar in order to gain control over Afghanistan. Saudi Arabia tried to limit the Iranian influence in Afghanistan by supporting Abdul-Rab al-Rasul Sayyaf, the leader of Ittehad-e Islami. The pro-Iranian organisation Hezb-e Wahdat was sponsored by Iran.⁶⁴⁸

The emergence of the Taliban

When the world first heard about the Taliban in 1994 there was a lot of confusion on where they came from. Several analysts said that they seemed to have appeared out of thin air. From the Taliban conquest of Kandahar in November 1994, it took them three years to gain control over 60 % of the provinces of Afghanistan.

Pakistan, and in particular the military intelligence organisation, ISI, is often seen as the prime actor behind the emergence of the Taliban. Different explanations are given to the motives of Pakistan's involvement, one of them being that Pakistan wanted to ensure that a government supportive of Pakistan ruled Afghanistan. Another motive for Pakistan's involvement was the influence to be gained over the Central Asian states both in terms of economy but also politically. It has been suggested that Pakistan promoted the Taliban in order to keep Iran out of the game over the pipelines from the oil fields in Central Asia.⁶⁴⁹ Further, Pakistan wanted to create a Sunni Muslim force that could counter the threat from the Iranian Shiite's.⁶⁵⁰ It has also been suggested that Pakistan wanted to tackle its indigenous Pushtun nationalist problem by supporting the Taliban.⁶⁵¹

The word "Talib" means student. The soldiers in the Taliban forces were recruited among religious scholars in Madrassas (religious schools) along the border between Afghanistan and Pakistan. The Madrassas have a long tradition in the region, in particular in Pakistan and India. Most of the Taliban are Afghan refugees from the time of the Soviet occupation, brought up in refugee camps. In addition to these, there are Taliban religious scholars, primarily from Pakistan but also from other Muslim countries.

The main domestic opposition to the Taliban has been the National Islamic United Front for the Salvation of Afghanistan (*Jabha-yi Muttahid-i Islami-yi Milli bara-yi Nijat-i Afghanistan*). This group is sometimes referred to as the Northern Alliance and in some cases just as the anti-Taliban alliance, but the name used here will be the "United Front". The group was

⁶⁴⁷ Kartha, Tara, *Tools of terror - Light weapons and India's security*, Knowledge world, Delhi, 1999, page 75

⁶⁴⁸ Saikal, Amin, 'The Rabbani government, 1992-1996', in in Maley, William (ed.), *Fundamentalism reborn? Afghanistan and the Taliban*, Hurst & Company, London, 1998, page 30

⁶⁴⁹ Apart from Saudi Arabia and Pakistan, the USA is also a major player in this explanation. Representatives of the USA have often claimed to have nothing to do with the Taliban, arguing that it is a creation of the ISI that got out of hand. The main argument used to prove the USA non-involvement is that the USA never has recognised the Taliban government.

⁶⁵⁰ Cooley, John K., *Unholy wars - Afghanistan, America and International terrorism*, Pluto Press, London, 1999, page 145

⁶⁵¹ Hussain, Zahid, 'Pakistan backs Taleban to 'avoid antagonism'', The Times, 20000803, Accessed from URL: <http://www.times.co.uk> on 20000803

established in June 1997 by the different anti-Taliban groupings operating in Northern Afghanistan.⁶⁵² The cast of members in the United Front varies, but the cornerstones of the alliance have been Masood and Rabbani's group called the Islamic State of Afghanistan (*Jamiat-i Islami-yi Afghanistan*)/Supervisory Council of the North (SCN, *Shura-yi Nazar-i Shamali*) and General Dosutms organisation National Islamic Movement of Afghanistan (*Junbish-i Milli-yi Islami-yi -Afghanistan - NIMA*). Smaller groups representing different ethnic minorities like the Hazara's and splinter Pushtun groupings are also part of the United Front. As an illustration of the chaotic and unpredictable situation in Afghanistan it can be mentioned that Hikmatyar is a member of the United Front. Hikmatyar is a Pushtun, Sunni and said to be very extreme in his religious beliefs. Nevertheless, after a few years in exile in Shiite Iran, he joined his old enemies Masood and Rabbani in the fight against his ethnic brethren in the Pushtun dominated Taliban movement.⁶⁵³

Beliefs and policy of the Taliban

What always should be kept in mind when discussing the beliefs of the Taliban is the diversity of the members of the movement. Certainly, several of them have studied in the Madrassas along the Afghan-Pakistan border. However, many Taliban followers have a background as military commanders in the army of the communist government or as fighters in one of several Mujahedeen factions.

Simply put, the Taliban creed consists of two components; the Madrassa tradition of the Pakistan-Afghan border region and traditional Pushtun beliefs. The Pakistan-Afghan Madrassa tradition has its base in an Islamic school of thought called the Deobandi School, named after the Indian city where the school first emerged in 1867 in the form of the institution called Dar ul-Ulum Deoband.⁶⁵⁴ The Deobandi School is a branch of the Sunni Hanafi Islam. The school sought to teach students how to interpret the Sharia in order to combine and harmonize the teachings of the Sharia with the events and values of the contemporary world. This form of Islam included a strong sentiment of anti-schism, a characteristic that has influenced Pakistani domestic politics. There was also a degree of discrimination of women but never to the extent that would explain the Taliban oppression of women. The Talibs from the Madrassas, primarily from the Madrassas run by the Pakistani fundamentalist party Jamiat-e Ulema-i Islam, fought in Afghanistan during the Soviet occupation.⁶⁵⁵

The second element of the Taliban creed is the traditional Pushtun legal code or Pushtunwali. The Pushtunwali is not one coherent set of laws but a number of different tribal laws. Among the common concepts are: *melmastia* (regarding hospitality to guests);

⁶⁵² Rashid, Ahmed, *Taliban - Islam, Oil and the New Great game in Central Asia*, I.B. Tauris Publishers, London, 2000, page 63

⁶⁵³ Rubin, Barnett, R, *The Political Economy of War and Peace in Afghanistan*, accessed from Internet URL: <http://www.afghan-politics.org/20000619>

⁶⁵⁴ Maley, William, 'Introduction - Interpreting the Taliban', in Maley, William (ed.), *Fundamentalism reborn? Afghanistan and the Taliban*, Hurst & Company, London, 1998, page 14

⁶⁵⁵ Maley, William, 'Introduction - Interpreting the Taliban', in Maley, William (ed.), *Fundamentalism reborn? Afghanistan and the Taliban*, Hurst & Company, London, 1998, page 14

ghayrat (defense of property and honour) and *namus* (defense of women). The Loya Jirga, a traditional form of council, also derives from Pushtunwali.⁶⁵⁶

Many decision-makers in Central Asia and Russia refer to Islamic fundamentalism and the Taliban as whabbists and therefore a few words should be mentioned regarding this brand of Islam. Whabbism first appeared in Saudi Arabia in the mid-18th century. Whabbism was introduced into Afghanistan, and in particular to the Pushtuns, with the Saudi military support and the flow of foreign mercenaries during the fight against the Soviet forces.⁶⁵⁷

The Taliban declared that they aimed to base their government on the Sharia and to set up an Islamic Emirate. They set up Shuras to govern in every city that they occupied, but due to the lack of functioning administration they were unable to set up any national policy plan.

The situation before the events of September 2001

In August 2001, the Taliban were said to control 90-95% of the territory of Afghanistan. The rest of Afghanistan, primarily Northern Afghanistan but also pockets in the central parts like were still controlled by the weakened United Front.

There have been a number of UN Security Council resolutions to force the parties into negotiations and to force the Taliban to stop supporting Usama bin Laden. In December 2000 the UNSC increased the pressure on the Taliban imposing UNSC resolution 1333 in which the sanctions against the United Front were lifted. The sanctions against the Taliban were also made tighter.

Without going too far into specific reasons and the overall extent of foreign involvement in the Afghan conflict before the events of the fall of 2001, the alignments were as follows: The Taliban were more or less supported by Pakistan. Turkmenistan had maintained cordial relations with them and Uzbekistan had signalled a wish for improved relations. Apart from Pakistan, the United Arab Emirate and Saudi Arabia were the only states to officially recognise the Taliban as the rulers of Afghanistan. However, the Saudi - Taliban relations were deteriorating due to the presence of Usama bin Laden in Afghanistan.

Tadjikistan, Uzbekistan, Kyrgyzstan, Kazakhstan, Iran, India and Russia, more or less openly supported the United Front. Considering that the UN Security Council sanctions against the Taliban regime, which allowed for arms exports to the United Front, were sponsored mainly by Russia and the U.S., the latter could also be added to the supporting group.

Turkmenistan tried to uphold a neutral role, as did China although the latter has on occasions accused the Taliban for fanning separatist violence in the province of Xinjiang in north-western China.

The embassies and consulates of Afghanistan were always controlled by the Rabbani government, which has been recognised by the UN as the official government of Afghanistan.

⁶⁵⁶ Goodson, Larry P., *Afghanistan's endless war – State failure, regional politics and the rise of the Taliban*, University of Washington Press, Seattle, 2001, pages 15-16

⁶⁵⁷ Rashid, Ahmed, *Taliban - Islam, Oil and the New Great game in Central Asia*, I.B. Tauris Publishers, London, 2000, page 85-86

The offices and representations to different International organisations opened by the Taliban were to be closed as a result of the UN sanctions.

PART II

Pakistan

Compared to most of the other states in the region, the Pakistani government have maintained relatively good relations with the Taliban. Afghanistan constitutes Pakistan's main choice in terms of northern exports, since the alternative routes are hampered by the difficult climatic conditions that leave the routes closed for long periods during the year.⁶⁵⁸ After the U.S. bombing of alleged terrorist camps in Afghanistan in August 1998, threats from Muslim hard-liners in Pakistan and Afghanistan of retaliation against U.S. interest in the region stopped some projects, like the pipeline between Turkmenistan and Pakistan⁶⁵⁹ and a Tadjik-Pakistani hydroelectric project.⁶⁶⁰ Some analysts argue that the Pakistani soft line towards the Taliban has been a consequence of Pakistan's desire to keep Iran out of the pipeline business since they regard Iran as a threat to Pakistani influence in the region. Perhaps more importantly, Pakistan can gain a significant amount of money from transfer costs for the pipelines.⁶⁶¹

Smuggling

Taliban attempts to finance the war and the prolonged period of conflict in Afghanistan have led to the establishment of a black market and extensive smuggling across the Pakistani-Afghan border of consumer goods, drugs and arms. Some reports claim that the Taliban has gained about \$100-200 million a year through their 20 % tax levied on the trade.⁶⁶² Pakistan has suffered severely from the failure to raise taxes and customs income on the goods smuggled from Afghanistan. To counter smuggling, Pakistani authorities have tried to close down several illegal markets along the border to Afghanistan, leading to protests from the primarily Pushtun traders.⁶⁶³ Afghanistan and Pakistan have further had a border dispute over how the Durand Line should be interpreted. This issue had apparently been solved when in June 2000, the Pakistani Interior Minister Moinuddin Haider said that the two sides "agreed to restore sanctity of Durand Line in order to check the free crossing of Afghans into Pakistan".⁶⁶⁴

⁶⁵⁸ Magnus, Ralph H. And Eden Naby, *Afghanistan - Mullah, Marx and Mujahid*, Westview Press, Boulder Colorado, 1998, page 178

⁶⁵⁹ Chufirin, Gennady, 'The Caspian sea basin: the security dimensions', in *SIPRI Yearbook 1999 - Armaments, Disarmament and International Security*, Oxford University Press, Oxford, 1999, page 222

⁶⁶⁰ Peimani, Hooman, *Regional security and the future of central Asia - the competition of Iran, Turkey and Russia*, Praeger Publishers, Westport, Connecticut, 1998, page 117

⁶⁶¹ Ahady, Anwar ul-haq, 'Saudi Arabia, Iran and the Taliban', in William Maley (ed.), *Fundamentalism reborn? Afghanistan and the Taliban*, Hurst & Company, London, 1998, pages 128-129

⁶⁶² Rubin, Barnett, R, 'The Political Economy of War and Peace in Afghanistan', accessed from Internet URL: <http://www.afghan-politics.org> 20000619

⁶⁶³ UN Report of the Secretary General on the situation in Afghanistan and its implications for international peace and security, UN document A/54/918-S/2000/581, 16 June 2000

⁶⁶⁴ NNI, 'Pakistan, Afghanistan agree on restoration of Durand Lines sanctity', 20000520, accessed from Internet URL: <http://www.afghan-politics.org> on 20000619

Refugees

Pakistan feared in November 1999, that the UN sanctions against the Taliban would create a massive flow of refugees over the Pakistani border. The government in Islamabad called on the western states to take their economic responsibility and contribute to the costs of the Afghan refugees in Pakistan.⁶⁶⁵ In June 2000 the Taliban Interior Minister and Pakistan agreed that 100,000 refugees out of the 1.7 million refugees living in Pakistan would be repatriated.⁶⁶⁶

In 2000, Pakistan decided to close its borders to Afghan refugees. The reason for this move was that Pakistan, according to a government official could not take care of all the refugees. The government official also stated that the “refugees are a back-breaking economic burden which creates economic and social disorder”.⁶⁶⁷ The Pakistan government further stated that the closing of the border was “a signal to the Taliban and the international community.”⁶⁶⁸ The Taliban asked Pakistan to open the border for refugees again but the Pakistani government replied that they “cannot afford to admit any more, as they have already reached saturation point”.⁶⁶⁹ In January 2001, Pakistan further escalated through putting armed forces and barbed wire along the border to Afghanistan to prevent more refugees from entering the country.⁶⁷⁰

Terrorism

Afghanistan has increasingly become the prime training camp area for what is called Islamic militants. Pakistan has in the past been accused of paying the Taliban for hosting the training camps. However, during the last few years Pakistan has, after pressure from the world community, tried to convince the Taliban to close down the camps. Pakistan has also put forward requests to the Taliban government to extradite some people who are suspected for acts of terrorism in Pakistan.⁶⁷¹ General Pervez Musharraf has said, “Pakistan condemns terrorism and will not allow the presence of any terrorist groups on its territory”.⁶⁷² In accordance with the UN sanctions, Pakistan froze Taliban financial assets in Pakistan in December 1999.⁶⁷³

⁶⁶⁵ BBC World Service, ‘Pakistan fears Afghan exodus’, 991119, accessed from Internet URL: <http://www.bbcnews.co.uk>, 20000803

⁶⁶⁶ NNI, ‘Pakistan, Afghanistan agree on restoration of Durand Lines sanctity’, 20000520, accessed from Internet URL: <http://www.afghan-politics.org> on 20000619

⁶⁶⁷ Alertnet, ‘Pakistan closes door to wave of Afghan refugees’, pressrelease from Alertnet 20001111 accessed from Internet URL: <http://www.alertnet.org/153424> on 20001120

⁶⁶⁸ Associated Press, ‘Pakistan closes border on refugees’, AP report 20001111 accessed from Internet URL: <http://www.yahoo.com> on 20001120

⁶⁶⁹ BBC World Service, ‘Pakistan pressed to reverse immigrant ban’, 20001112, accessed from Internet URL: <http://www.bbcnews.co.uk> on 20001130

⁶⁷⁰ Riaz, Mohammed, ‘Registration of Afghan DPs begins: border sealed’, The Dawn 20010124, accessed from Internet URL: <http://www.dawn.com> on 20010125

⁶⁷¹ BBC World Service, ‘Taleban assure China over extremists’, accessed from Internet URL: <http://www.bbcnews.co.uk> on 20000729

⁶⁷² BBC World Service, ‘Negotiate bin Laden case, says Pakistan’, 20000415, accessed from Internet URL: <http://www.bbcnews.co.uk> on 20001211

⁶⁷³ Bennett-Jones, Owen, ‘Pakistan freeze on Taleban assets’, 991214, BBC World Service, accessed from Internet URL: <http://www.bbcnews.co.uk>, on 20001214

In one case, Afghanistan based terrorism has had an indirect and concrete security implication for Pakistan. The U.S. missile attacks against Usama bin Laden's training camps in Afghanistan in August 1998 convinced Pakistan that its air-defence was insufficient, as it did not detect the Tomahawk missiles when they passed Pakistani airspace. The head of the Pakistani missile programme stated that Pakistan had "no capability to counter or detect low-flying missiles". In a move to increase its security, primarily with the Indian threat in mind, Pakistan started an indigenous cruise-missile programme.⁶⁷⁴

Islamic fundamentalism

As a consequence of the rise of the Taliban, the base of political Islam in Pakistan moved from the traditional political parties to more religious institutions like the Madrassas. This has made it more difficult for the state governments to control the more fundamentalist parts of the Islamic movements. Similarly to other countries in the region, a major security concern in Pakistan, is an increased Islamisation of politics. Some political parties that were formerly relatively moderate in their religious fervour, have adopted a revolutionary rhetoric supporting the importance of religion in the political life of Pakistan.⁶⁷⁵ There has been talk of "Talibanisation", in the sense that Islam has been radicalised and more influential. Recently, a decision was taken to use the Sharia, the Islamic law, in the courts and further steps have been taken to transform the political system more in conformity with Islam. The Government of Pakistan has chosen to deal with Islamic fundamentalism by appeasement of its proponents. However, individual members of the Pakistani parliament have securitised the development of Islamic fundamentalism. In speech to the National Assembly in March 1999, Asfandyar Wali warned the government that "if the state continues to keep its eyes closed [to the Talibanisation of Pakistan], then there would be complete anarchy", he further said if "state authority collapses the only armed forces would be the fundamentalists".⁶⁷⁶ Siddiqui, a leader of the opposition Party Muttahida Quami Movement (MQM), argued that the Pakistani state sponsored and trained religious extremists and said that "over five million trained religious extremists equalling the number of the regular Pakistan Army is a potential threat to the region". Siddiqui also claimed that the military intelligence organisation, ISI had created, sponsored, and armed the Taliban, and that that "the war against [United Front led by] Ahmed Shah Masood is being fought by the ISI".⁶⁷⁷ After threats from the Islamic party Jamiat-e-Ulema Islam, the government of Baulchistan also instructed local authorities to protect local cinemas and video shops from attacks from religious extremists during Ramadan.⁶⁷⁸

In parts of Pakistan, in particular in the state of Punjab, the violence between Sunnis and Shia Muslims has increased since the rise of the Taliban. The violence is upheld by the flow of arms but also by the return of Pakistani Sunni Muslims who have fought the Soviet Union as well as alongside the Taliban against the United Front.⁶⁷⁹ There are reports that several leaders

⁶⁷⁴ Farooq, Umer, 'Striking consequences', in Jane's Defence Review, September 2 1998, page 23

⁶⁷⁵ Nasr, Vali, *International Relations of an Islamist Movement: The Case of the Jama'at-i Islami of Pakistan*, Council of Foreign Affairs, New York, 2000, pages 34-35

⁶⁷⁶ The News, 'National assembly member warns against 'Talibanisation'', The News Islamabad, 990323, accessed as FBIS-NES-1999-0323

⁶⁷⁷ PTI, 'Pak military establishment fomenting religious extremism: MQM', 20001003, accessed from Internet URL: <http://www.naradonline.com> on 20010209

⁶⁷⁸ BBC World Service, 'Pakistan moves to protect cinemas in Ramadan', 19981223, accessed from Internet URL: <http://www.bbcnews.co.uk> on 20010209

⁶⁷⁹ Jan, Ameen, 'Prospects for Peace in Afghanistan: the Role of Pakistan' February 1999, accessed from URL: <http://www.afghan-politics.org>, 000619

of Sunni-extremist groups like Sipha-e-Sabaha Pakistan (SSP) and the Lashkar-e-Jhangvi, involved in the violence in Punjab and the attempts to assassinate former President Nawaz Sharif, are hiding in Kabul.⁶⁸⁰ The Pakistani interior minister Moinuddin Haider stated in August 2000, that the militants are "fanning sectarian violence and poisoning people's minds".⁶⁸¹ Pakistan has been negotiating with the Taliban to get the Taliban to extradite Pakistanis citizens suspected for involvement in "sectarian terrorism".⁶⁸²

Ethnic conflicts

Relations between Pushtuns in Afghanistan and Pakistan have improved since the end of the Soviet occupation of Afghanistan. Calls for an independent Pukhtunistan has been heard with regular intervals in the Pakistani provinces of NWFP (North-Western Frontier Province) and Baluchistan.⁶⁸³ The state government in the Pushtun dominated NWFP passed a bill in 1997 to change the name of the province to Pakhtunkhwa province, i.e. the Pushtunist province. As a result, Baluchi-Pushtun unrest in Baluchistan became more violent with several Baluchi demands for increased independence and attempts to throw out Pushtuns from the province.⁶⁸⁴ By supporting the Pushtun-dominated Taliban, Pakistan pursues its domestic agenda where the aim is to calm down Pushtun separatism in the border areas to Afghanistan.⁶⁸⁵ General Musharaff has stated that "The Taleban administration represents the majority Pushtun population in Afghanistan and it is in our interest to support them".⁶⁸⁶ In a BBC interview Musharaff said that "we have a certain national security compulsion and our national security compulsion as far as Afghanistan is concerned is that the Pakhtoons of Afghanistan have to be on Pakistan's side because of demographic and geographic compulsion" and added that it "would be most imprudent to confront or to have differences with the Pakhtoons of Afghanistan".⁶⁸⁷

Drugs

Pakistan has avoided connecting drugs trafficking to the Taliban although it has recognised that the biggest problem for Pakistan with regard to Afghanistan is the flow of "cheap opium from Afghanistan". General Musharaff argues that drugs is becoming an increasingly serious problem which "requires special efforts" and that while it is important to stop the supply it is also essential to concentrate on the domestic demand.⁶⁸⁸ The number of narcotics addicts in

⁶⁸⁰ Rashid, Ahmed, 'Heart of Darkness', Far Eastern Economic Review, August 5, 1999, Accessed from URL: <http://www.feer.com> on 20000720

⁶⁸¹ Miller Judith, 'Pakistan Outlines Plans to Curb Militant Networks', New York Times June 10, 2000, Accessed from URL <http://www.nytimes.com> on 20000803

⁶⁸² Khan, Ismail, 'Taliban asked to deport Pakistani terrorists', The News International, 20000713, accessed from Internet URL: [http://www.Yahoo.com/full coverage/Afghanistan](http://www.Yahoo.com/full%20coverage/Afghanistan) 20000803

⁶⁸³ Hyman, Anthony, 'Central Asia's relations with Afghanistan and South Asia', in Peter Ferdinand (ed.), *The new Central Asia and its neighbours*, Pinter Publishers, 1994, page 80

⁶⁸⁴ Saikal, Amin, 'Afghanistan's ethnic conflict', *Survival*, Vol.40, no. 2, 1998, page 123

⁶⁸⁵ Rashid, Ahmed, *Taliban - Islam, Oil and the New Great game in Central Asia*, I.B. Tauris Publishers, London, 2000, page 187

⁶⁸⁶ Hussain, Zahid, 'Pakistan backs Taleban to 'avoid antagonism'', The Times, 20000803, Accessed from URL: <http://www.times.co.uk> on 20000803

⁶⁸⁷ Benett-Jones, Owen, 'BBC Talking point with General Musharaff', 20000802, Transcript accessed from Internet URL: <http://www.bbcnews.co.uk>, on 20001214

⁶⁸⁸ BBC World Service, 'Drug addiction worries Pakistan', 20000626, accessed from Internet URL: <http://www.bbcnews.co.uk>, on 20001213

Pakistan rose from 10,000 in 1979 to around 3-4 million in 1999.⁶⁸⁹ A spokesman of the Pakistani government has claimed that the drug trafficking from Afghanistan was a big concern but added that the Taliban had been offered help to deal with the problem. He further said the Taliban had promised to deal with the issue and said, “We [the government of Pakistan] are hopeful that these issues will be addressed and resolved in due course of time”.⁶⁹⁰

India

India’s approach to Afghanistan and the civil war is much determined by its conflict with Pakistan and has primarily focused on supporting the enemies of Pakistan. India fears that Pakistan would gain the “strategic depth” which Pakistan is claimed to be lacking, if Afghanistan would be ruled by a pro-Pakistani government. The argument regarding strategic depth is often subject to criticism and should perhaps not be taken seriously. Nevertheless, India supported the Rabbani government when the Taliban first emerged and has continued to do so. India is alleged to have supported the United Front by maintaining Masood’s air force and providing arms. The Indian government claims that the support to the United Front has been strictly humanitarian.⁶⁹¹ During the summer of 2001 there were reports of significant military support to the UF from India. The Taliban have accused India of prolonging the Afghan civil war by its technical and financial assistance to Masood and Rabbani.⁶⁹² Pakistani sources also suggest that India co-ordinates its policy towards Afghanistan with Russia, since India is dependent on Russia for military supplies. In addition India also shares the Russian fear that a fundamentalist Islamic government can make the region unstable, in particular with regard to Kashmir.⁶⁹³

The comments on Afghanistan and the Taliban in the Indian foreign policy report of 1999 circles primarily around the role played by Pakistan in Afghanistan. India blames Pakistan for the continued violence in Afghanistan. It is stated in the report that the Taliban-controlled areas in Afghanistan are a “breeding ground for terrorists and extremist groups...posing a serious threat to the peace and stability of the whole region”. India co-sponsored the UNSC resolution of 19 December 2000 to impose sanctions against the Taliban to hand over Usama bin Laden.

Islamic separatism

As a consequence of the prolonged conflict in Afghanistan significant amounts of military material flooded the region. India was affected by the conflict since arms flowed into Kashmir

⁶⁸⁹ Goodson, Larry P., *Afghanistan's endless war – State failure, regional politics and the rise of the Taliban*, University of Washington Press, Seattle, 2001, page 102

⁶⁹⁰ Khan, Ismail, ‘Taliban asked to deport Pakistani terrorists’, *The News International*, 20000713, accessed from Internet URL: [http://www.Yahoo.com/full coverage/Afghanistan 20000803](http://www.Yahoo.com/full%20coverage/Afghanistan%20000803)

⁶⁹¹ Hyman, Anthony, ‘Afghanistan and rival foreign policies’ in Davidson, Anders and Peter Hjukström (eds), *Afghanistan, aid and the Taliban: Challenges on the eve of the 21st century*, Swedish Committee for Afghanistan, Stockholm, 1999, page 23

⁶⁹² Government of the Islamic Emirate of Afghanistan, ‘Foreign intervention intensifies factional hostilities’, accessed from Internet URL: <http://www.taleban.com> on 2000120

⁶⁹³ Matinuddin, Kamal, *The Taliban Phenomenon - Afghanistan 1994-1997*, Oxford University Press, Karachi, 1999, page 181

allegedly increasing the violence in India-held Kashmir.⁶⁹⁴ Apart from this flow of arms there are indications that the number of “foreign” forces have increased in the civil war in the Indian-held parts of Kashmir. Previously, the insurgents in Jammu-Kashmir were mainly from India or Pakistan but in connection to the war in Afghanistan, mercenaries from the Arab world as well as Europe and North America, primarily refugees from the region, increased according to Indian sources.⁶⁹⁵ The U.S. Assistant Secretary of State for South Asia, Mr. Karl Inderfurth has stated that the Taliban has been “...supplying jihadists, those who believe they will wage a holy war against the infidels, whether it be in Central Asia, in Chechnya, or in Kashmir”.⁶⁹⁶ The Indian military intelligence organisation Research and Analysis Wing (RAW) estimated in 1997 that between 800 and 1000 “foreign guerrillas”, often trained in Afghanistan, had joined the Kashmiri insurgents in the fighting.⁶⁹⁷

Continuously, the Indian government accuse both Pakistan and the Taliban government of supporting Muslim separatists in Kashmir. Similarly, they also blame the Taliban and Pakistan for the increase in terrorism carried out by fundamentalist Muslim groups in Jammu-Kashmir and other parts of India. As a result the Indian government together with Iran in July 2000, called for the creation of a multi-ethnic government in Kabul to replace the Taliban government.⁶⁹⁸ Returning from a visit in Tehran, Minister Atal Bihari Vajpayee said India and Iran "will jointly work diplomatically and politically to contain the dangers posed by the fundamentalist forces in Afghanistan, which were spawning terrorism using money from drug trafficking"⁶⁹⁹

Turkmenistan

Turkmenistan has taken a neutral stance towards the Afghan conflict and even made attempts to convince neighbouring states that the Taliban constitute no threat. There are groups of Turkmen residing in the north-western part of Afghanistan near the border to Turkmenistan and Turkmenistan has received about 9000 Afghan Turkmen who fled the fighting in 1997.⁷⁰⁰ The government in Ashgabad, which pursues an officially declared neutral policy, has rarely participated in meetings with the other Central Asian states and Russia discussing security related issues. In contrast to other regional actors, Turkmenistan has avoided stating clear connections between the Taliban and drug trafficking, terrorism and religious extremism. In May 2000, President Saparmyrat Niyazov stated that “...Turkmenistan [has] nothing to fear

⁶⁹⁴ Baral, Lok Raj and S D Muni, ‘Introduction: Refugees, South Asia and security’, in Baral, Lok Raj and S D Muni, (eds.), *Refugees and regional security in South Asia*, Konark Publishers PVT Ltd., Delhi: 1996, page 32

⁶⁹⁵ International Centre for Peace Initiatives, ‘Radical Islam, mercenaries and the proxy war’, *Peace Initiatives, Vol III, No. V, September-October 1997*, page 11

⁶⁹⁶ Voice of America transcript, ‘Inderfurth: Taliban Increasingly "Out of Touch"’, 20000901, accessed from Internet URL: <http://usinfo.state.gov> on 20001130

⁶⁹⁷ Cooley, John K., *Unholy wars - Afghanistan, America and International terrorism*, Pluto Press, London, 1999, page 229

⁶⁹⁸ Agence France Press, ‘India, Iran call for end to Taliban rule in Afghanistan’, *Pressrelease from AFP, July 20*, accessed 20000721 from URL: http://www.Yahoo.com/full_coverage/Afghanistan

⁶⁹⁹ Shekhar Iyer, Shekhar, ‘India joins hands with Iran to combat terrorism’, *Hindustan Times* 20010414, accessed from Internet URL: <http://www.hindustantimes.com> on 20010415

⁷⁰⁰ Rashid, Ahmed, *Taliban - Islam, Oil and the New Great game in Central Asia*, I.B. Tauris Publishers, London, 2000, page 60, Matinuddin, Kamal, *The Taliban Phenomenon - Afghanistan 1994-1997*, Oxford University Press, Karachi, 1999, page 172.

from Afghanistan and [has] set up a 20-km buffer zone on either side of the border to prevent drug smuggling".⁷⁰¹

The Turkmen government has declared that other states in Central Asia are mistaken in regarding the Taliban as a threat. An envoy of Turkmenistan President Niyazov stated after a meeting with the Taliban Supreme Leader Mullah Mohammad Omar and Foreign Minister Wakil Ahmad Mutawakel that the government of Turkmenistan believes that "Afghanistan has too many internal problems and they are not able to interfere in others' affairs".⁷⁰² Turkmenistan has tried to act as a neutral negotiator in the Afghan conflict. For example, Turkmenistan hosted negotiations that reached a short-lived peace agreement between the Taliban and the United Front in March 1999.⁷⁰³

Turkmenistan has also managed to maintain trade relations with the Taliban and has despite setbacks continued to negotiate with Kabul to build an oil and gas pipeline from Turkmenistan across Afghanistan to Pakistan.⁷⁰⁴ The government of Turkmenistan has further agreed to sell electricity to parts of Afghanistan.⁷⁰⁵

Tadjikistan

Ethnic connections

Two basic issues shape Tadjikistan's position vis-à-vis Afghanistan. First, the civil war between the Tadjik government and the Islamic opposition that reached a conclusion in 1997. Second, there is an ethnic link to Afghanistan, twice as many Tadjiks live in Afghanistan than in Tadjikistan proper.⁷⁰⁶ The ethnic connection motivated the Tadjik Foreign minister Talbak Nazarov to warn Pakistan's minister of state for foreign affairs, Mohammad Siddique Khan Kanju, that "any attempt by the mainly Pashtu Taleban movement to bring Afghanistan under the control of one ethnic group will fail".⁷⁰⁷ United Front leader Masood, who was killed in September 2001, was an ethnic Tadjik. The Tadjik defence minister Shirali Khairulloyev has previously said "If the Taliban movement eliminate Ahmad Shah Masoud, they will have their hands untied against the Central Asian republics".⁷⁰⁸

⁷⁰¹ Inside Central Asia, 'Putin warns of pre-emptive strike against "terrorists"', *Inside Central Asia*, No. 325, 15-21 May 2000, page 6

⁷⁰² Agence France Press, 'Central Asia wrong on Taliban threat: Turkmen envoy', AFP Pressrelease, 20000830, accessed from Internet URL: <http://www.yahoo.com/fullcoverage/afghanistan> on 20000901

⁷⁰³ BBC World Service, 'Afghan rival reach landmark deal', 990314, accessed from Internet URL: <http://www.bbcnews.co.uk>, on 20001213

⁷⁰⁴ BBC World Service, 'Turkmen minister meets Taleban in Pakistan', 990126, accessed from Internet URL: <http://www.bbcnews.co.uk>, on 20001213

⁷⁰⁵ BBC World Service, 'Turkmenistan electricity for Afghanistan', 990510, accessed from Internet URL: <http://www.bbcnews.co.uk>, on 20001213

⁷⁰⁶ Hyman, Anthony, 'Central Asia's relations with Afghanistan and South Asia', in Peter Ferdinand (ed.), *The new Central Asia and its neighbours*, Pinter Publishers, 1994, page 76

⁷⁰⁷ BBC World Service, 'Tadjikistan warns Pakistan over Taleban', 19980825, accessed from Internet URL: <http://www.bbc.co.uk> on 20000909

⁷⁰⁸ Interfax, 'Tadjik minister calls situation along Afghani border tense', 20000619, accessed from Internet URL: <http://www.rferl.org/bd/tu/reports/index.html> on 20001215

It is notable that Masood could have posed a threat to Tadjikistan as he had threatened to establish a Tadjik state including areas in both Tadjikistan and Afghanistan.⁷⁰⁹ During the civil war in Tadjikistan, Afghan Tadjiks armed and trained their ethnic brethren and also participated in the fighting. Some scholars have raised fears that the ties between the Tadjiks in Afghanistan and Tadjikistan might become even stronger and could lead to a serious separatist threat to Tadjikistan and Afghanistan as well as Uzbekistan.⁷¹⁰

The civil war in Tadjikistan was influenced by developments in Afghanistan. Tadjik opposition rebels based in Afghanistan attacked CIS troops based on the border. The United Tadjik Opposition, recruited fighters among the refugees who had fled Tadjikistan for Afghanistan.⁷¹¹ Out of the groups of refugees who left Tadjikistan around 2 000-3 000 people were trained by the Hizb-i Islam. The refugees created a base for Islamic fundamentalism, many of them claimed that communist militia had forced them to flee Tadjikistan.⁷¹² Tadjikistan's agenda in Afghanistan has been shaped by developments during the Tadjik civil war in many ways. Masood used to have very close relations to the Tadjik Islamic opposition, when the Tadjik President Imomali Rakhmanov established contacts with him to reach a quicker solution to the civil war by weakening the opposition. In exchange for his disengagement in the Tadjik civil war, Masood received military and economic support from Tadjikistan.⁷¹³

Islamic fundamentalism/geopolitics

Similar to other states neighbouring Afghanistan, Tadjikistan has voiced concern over the spread of the Taliban brand of Islam. In a speech on Tadjik Radio in September 2000, Rakhmanov argued that Afghanistan "apart from being a major drug producer also exported religious extremism".⁷¹⁴ The Tadjik parliament has passed laws that narrow the power and influence of religious leaders and attempt to block political training in the Tadjik Madrassas.⁷¹⁵

Russia has since the early 1990s used the fear of militant Islam spreading from Afghanistan to increase its influence in Central Asia. After a warning from Russia about rising Islamic extremism in September 1993, all Central Asian states, except Turkmenistan, agreed to have CIS peacekeeping forces stationed in Tadjikistan. As a result of the perceived Islamic threat Russia has kept a large number of troops in Tadjikistan, partly to serve as peacekeepers in the Tadjik civil war but also to protect the border between Tadjikistan and Afghanistan. In 1997,

⁷⁰⁹ Hyman, Anthony, 'Central Asia's relations with Afghanistan and South Asia', in Peter Ferdinand (ed.), *The new Central Asia and its neighbours*, Pinter Publishers, 1994, page 80

⁷¹⁰ Kazemi, Farhad and Zoreh Ajdari, 'Ethnicity, identity and politics: Central Asia and Azerbaijan between Iran and Turkey' in David Menshari (ed.), *Central Asia meets the Middle East*, Frank Cass Publishers, London, 1998, page 65

⁷¹¹ Marsden, Peter, *The Taliban - War, religion and the new order in Afghanistan*, Zed books Ltd., London, 1999, page 138

⁷¹² Atkin, Muriel, 'Tadjikistan's relations with Iran and Afghanistan', in Ali Banuazizi and Myron Weiner (eds.), *The new geopolitics of Central Asia and its borderlands*, I.B. Tauris publishers, London, 1994, page 109

⁷¹³ Saikal, Amin, 'The Rabbani government, 1992-1996', in in Maley, William (ed.), *Fundamentalism reborn? Afghanistan and the Taliban*, Hurst & Company, London, 1998, page 41

⁷¹⁴ BBC World Service, 'Tadjik leader blasts "destabilising" Afghanistan', 20000908, *accessed from Internet URL: <http://www.bbc.co.uk> on 20000909*

⁷¹⁵ Olimova, Saodat, 'Political Islam and conflict in Tadjikistan', in Lena Jonson, Murad Esenov (eds.), *Political Islam and conflicts in Russia and Central Asia*, Swedish Institute of International Affairs, Stockholm, 1999, pages 132-133

the number of forces on the border to Afghanistan were estimated to approximately 14 500 and in 1999 around 11 000.⁷¹⁶ The Taliban offensive in northern Afghanistan in August of 1998 raised fears in Tadjikistan that the violence might spread across the border. The Tadjik president Rakhmanov immediately called a meeting of the CIS Council of ministers to confirm the validity of the Tashkent agreement on collective security of 1992.⁷¹⁷ In August 2000, Russian forces based on the border between Afghanistan and Tadjikistan claim to have clashed with armed guerrillas trying to cross the border.⁷¹⁸ There have also been a number of joint exercises with Russian and other CIS forces on the border between Afghanistan and Tadjikistan.

Terrorism

Tadjikistan has participated in meetings and signed agreements to tackle the threat of terrorism. Tadjikistan was one of three countries (the other two being India and Kyrgyzstan) co-sponsoring the UNSC sanctions imposed on the Taliban in December 2000. Rakhmanov has argued that “there are military bases there [in Afghanistan] to train saboteurs”, and that the actions of the Taliban have made Afghanistan to “turn into a source of a terrorist...threat to regional and global security”.⁷¹⁹

Drugs

In a speech to the UN General Assembly in September 2000, President Rakhmanov claimed that the Taliban were turning Afghanistan into a “factory of death” through its involvement in drug production and distribution. He further argued that part of the Afghan drug problem were “criminal groups [which plan] to destabilise the situation in our country”.⁷²⁰ Tadjikistan also participated in the 6+2 group⁷²¹ meeting in February 2000 held in New York where plans were drawn up to tackle the problem of drug trafficking from Afghanistan. Among the proposals in this meeting were increased co-operation with the UN and the creation of an anti-drug “security belt” around Afghanistan⁷²². In February 2000 the Tadjik Interior Minister, Homiddin Sharipov, said during a meeting with Iranian government representatives in the Tadjik capital that

⁷¹⁶ Jonsson, Lena, *Russia and Central Asia*, paper presented at the conference ‘Central Asia in a new security context’ at the Swedish institute of International Affairs, Stockholm 2-3 September 1999, page 11

⁷¹⁷ Zviagelskaya, Irina, ‘The Tadjikistan conflict’, in *SIPRI Yearbook 1999 - Armaments, Disarmament and International Security*, Oxford University Press, Oxford, 1999, page 73

⁷¹⁸ New York Times, ‘Rebels and Soldiers Reported Killed in Central Asia Region’, August 14, 2000 Accessed from URL: <http://www.nytimes.com/yr/mo/day/news/world/kyrgyzstan-violence-rts.html> on 20000814

⁷¹⁹ Inside Central Asia, ‘Central Asian leaders join efforts to fight terrorism’, *Inside Central Asia*, No. 321 17-23 April 2000, page 1, and Inside Central Asia, ‘Rahmonov appeals to the world to help Afghanistan’, *Inside Central Asia*, No 344, 25 Sept. - 1 Oct. 2000, page 1

⁷²⁰ Inside Central Asia, ‘Rahmonov condemns Taleban “factory of death”’, *Inside Central Asia*, No. 280 27-3 October 2000, page 2

⁷²¹ The 6+2 group consists of Afghanistan’s neighbours Iran, Pakistan, China, Tadjikistan, Uzbekistan and Turkmenistan plus Russia and the USA. The group seeks ways of reaching a negotiated settlement of the conflict in Afghanistan.

⁷²² O’Toole, Pam, ‘Afghan drug trade targeted’, BBC World Service, 20000228, accessed from internet URL: <http://www.bbc.co.uk> on 20001213

“The continuing civil war in Afghanistan was hindering efforts by neighbouring states to reduce the country's opium production”.⁷²³

Uzbekistan

The Uzbek support of the United Front has ethnic reasons, similar to Iran and Tadjikistan. The Uzbeks are the third largest ethnic group in Afghanistan and one of many United Front leaders, General Dostum, is of Uzbek origin. President Karimov has stated on national Uzbek television that to avoid “further escalation of the conflict then ...we must do everything possible so that Mr Dostum can hold on to the Salang (tunnel)”.⁷²⁴

Islamic fundamentalism

President Karimov has blamed the Taliban for the unrest and violence in his country. More than 2 000 fighters from the Islamic movement of Uzbekistan (IMU), which is the prime opposition to Karimov's government have received training and been allowed to set up bases in Mazar-i-Sharif. In 1999, the threat became obtrusive when IMU troops crossed the Uzbek border and tried to occupy the Ferghana valley, where they stayed for two months before they withdrew.⁷²⁵ There were also reports that the Uzbek dissident Jumaboi Namangani had crossed the Uzbek border to a Taliban-controlled part of Afghanistan together with a group of fighters although the Kabul government denied this.⁷²⁶ In August of 2000, there were reports of fighting between Uzbek government forces and opposition guerrillas based in Tadjikistan reportedly supported by the Taliban.⁷²⁷

The Uzbek government has several times warned against the threat from Islamic fundamentalism, in particular what is referred to as Whabbism. The Uzbek government has put restrictions on the education in the Madrassas in Uzbekistan and put in effect laws against the growth of beards.⁷²⁸ President Karimov argued in February 1994 at a conference in Switzerland that Afghanistan was an “instrument of the Islamists”.⁷²⁹ However, it is often suggested that the Uzbek Islamic opposition is too small and disorganised and that the “Islamic threat” is only a cover used by Karimov to maintain control of Uzbekistan through special emergency laws⁷³⁰.

Uzbekistan has signed a number of agreements regarding defence against the spread of Islamic extremism. In October 2000, Uzbekistan and Kyrgyzstan signed an agreement to

⁷²³ BBC World Service, ‘Tadjikistan and Iran discussing drugs’, 20000229, accessed from Internet URL: <http://www.bbcnews.co.uk> on 20001213

⁷²⁴ Hyman, Anthony, ‘Russia, Central Asia and the Taliban’, in William Maley (ed.), *Fundamentalism reborn? Afghanistan and the Taliban*, Hurst & Company, London, 1998, page 107

⁷²⁵ Rashid, Ahmed, ‘Epicentre of Terror’ *Far Eastern Economic Review*, May 11, 2000, Accessed from URL: <http://www.feer.com> on 20000720

⁷²⁶ UN Report of the Secretary General on the situation in Afghanistan and its implications for international peace and security, UN document A/54/918–S/2000/581, 16 June 2000

⁷²⁷ New York Times, ‘Rebels and Soldiers Reported Killed in Central Asia Region’, August 14, 2000 Accessed from URL: <http://www.nytimes.com/yr/mo/day/news/world/kyrgyzstan-violence-rts.html> on 20000814

⁷²⁸ Rashid, Ahmed, *Taliban - Islam, Oil and the New Great game in Central Asia*, I.B. Tauris Publishers, London, 2000, pages 149-150

⁷²⁹ Cooley, John K., *Unholy wars - Afghanistan, America and International terrorism*, Pluto Press, London, 1999, page 168

⁷³⁰ LeVine, Steve and Owen Matthews, ‘Shopping for enemies’, *Newsweek*, June 5 2000, page 17

counter the spread of militant Islam in Central Asia. A Kyrgyz presidential spokesman said “The two sides agreed to view the threat of terrorism and extremism to one country as a threat to both countries...”.⁷³¹ Karimov has also criticised the UN Security Council for “doing nothing but issue resolutions” against the Taliban. He warned the UN in August 1998 that the Taliban might “export their militant ideology into Central Asia”.⁷³²

The relations between Uzbekistan and Pakistan have been strained over the Taliban. During an ECO meeting held in Ashgabad in 1997, Karimov criticised Nawaz Sharif for Pakistan’s support of the Taliban demanding that they cancel their involvement in the conflict.⁷³³ President Karimov accused both Afghanistan and Pakistan for arming and training the Uzbek opposition. As a result Pakistan lost an important oil and gas contract with Uzbekistan to the Ukraine.⁷³⁴ The Uzbek foreign minister Abdul Aziz Kamilov has accused “Pakistani Islamic groups” for training militants from the Central Asian countries in camps near the Pakistani city of Peshawar. The militants are then sent back via Afghan territory into Central Asia to carry out “subversive activity”. The Uzbek government sent a note to the Pakistani government asking them to close down the training camps.⁷³⁵

Terrorism

During a visit to India, President Karimov claimed, “Afghanistan has become a hot-bed and training ground of international terrorism. Such activities are absolutely unacceptable to us”. Uzbekistan also signed an agreement with India to co-ordinate their actions to fight terrorism related to the Taliban.⁷³⁶ In June 2000, the CIS discussed setting up a multinational force in Uzbekistan to prevent an Islamic invasion from Afghanistan. The force would be part of a CIS anti-terrorism centre that was to be set up in Moscow. The force has not been set up yet.

Drugs

In a joint statement with other Central Asian states, Uzbekistan said that the “drug trafficking from Afghanistan had negative effects on the economic stability of Central Asia”.⁷³⁷ Uzbekistan has further supported the anti-drug security belt proposed by the 6+2 group that Uzbekistan is a member of.

⁷³¹ Agence France Press, ‘Facing threat from Afghanistan, Kyrgyzstan, Uzbekistan boost military ties’, AFP Pressrelease 20000927, accessed from URL: <http://www.yahoo.com/fullcoverage/afghanistan> on 20000927

⁷³² BBC World Service, ‘Uzbek leaders warns the West against the Taliban’, 980828, accessed from Internet URL: <http://www.bbcnews.co.uk> on 20001211

⁷³³ Matinuddin, Kamal, *The Taliban Phenomenon - Afghanistan 1994-1997*, Oxford University Press, Karachi, 1999, page 173

⁷³⁴ Hyman, Anthony, ‘Central Asia’s relations with Afghanistan and South Asia’, in Peter Ferdinand (ed.), *The new Central Asia and its neighbours*, Pinter Publishers, 1994, page 90

⁷³⁵ Ghilzai, Amanullah ‘Pakistan’s Islamist training Uzbeks?’, BBC World Service, 980217, accessed from Internet URL: <http://www.bbcnews.co.uk> on 20001213

⁷³⁶ Aneja, Atul, ‘India, Uzbekistan sign key security pacts’, *The Hindu*, 20000503, Accessed from URL: <http://www.hinduonline.com> 20000912

⁷³⁷ RFE/RL, ‘Central Asian Economic Union Finishes Summit’, 20000614, accessed from Internet URL: <http://www.rferl.org/bd/tu/reports/index.html> on 20001215

Towards reconciliation with the Taliban?

During the fall of 2000, the policy of Uzbekistan changed slightly towards reconciliation with the Taliban. Karimov said in an interview on national Uzbek television in late September that the Taliban threat was exaggerated and he further blamed media for this. He also stated that the conflict in Afghanistan had “turned into a playground for a large-scale geopolitical game”.⁷³⁸ Karimov went on to say “those who exaggerate the threat of the Taliban to Central Asia want to cut off from investors the road to our region and frighten them so that the capital does not come to Central Asia”.⁷³⁹ In early October 2000, an Uzbek envoy met a Taliban envoy in Islamabad to discuss the problem of Islamic militancy in Central Asia.⁷⁴⁰ A few days later Mr Karimov said he was willing to co-operate with the Taliban movement even if he did not like its ideology and objectives.⁷⁴¹ Karimov was quoted as saying: “We may not like the Taleban movement, its ideology, objectives and task...[but]...we here in Uzbekistan...proceed from the fact that we do not need any escalation, any confrontation and any war with Afghanistan”.⁷⁴²

The role played by the Russian Federation and their interest in the Central Asian region has also been questioned by Karimov who, in October 2000, said that “We recognize (Russia's) interests in Central Asia and that it needs to protect them but it should also discuss them together with us”.⁷⁴³ Karimov has also accused Russian media for leading a campaign that “has one goal, to assure the public that Russian troops should come here or Russian bases be created here”.⁷⁴⁴ The security context in the region could be changing which is indicated by this statement by President Karimov: “From now on Uzbekistan can count on military assistance of China in the repulsion of an aggression which is being planned at international centres on the territory of Afghanistan and other South Asian countries”.⁷⁴⁵

Iran

Afghanistan's western neighbour has not viewed the rise of the Taliban with calm. Iran and the Taliban have had a number of disagreements, and in 1998 armed conflict nearly broke out. Iran's position can be summed up by the following statement by the Iranian foreign minister, Dr. Kamal Kharrazi to the 6+2 meeting at the UN in September 2000: “I do not need to go

⁷³⁸ Inside Central Asia, ‘President Karimov says Taleban threat exaggerated’, *Inside Central Asia*, No. 344, 25 September- 1 October 2000, page 3

⁷³⁹ Agence France Press, ‘Uzbek president says Taliban threat exaggerated’, AFP Press release, 20000926 accessed from Internet URL: <http://www.yahoo.com/fullcoverage/afghanistan> on 20000927

⁷⁴⁰ BBC World Service, ‘Taliban, Uzbek envoys talk, 20001002, accessed from Internet URL: <http://www.bbcnews.co.uk> on 20001211

⁷⁴¹ BBC World Service, ‘Karimov further softens stance on Taleban’, 20001013 accessed from Internet URL. <http://www.bbcnews.co.uk>, 20001013

⁷⁴² Inside Central Asia, ‘Karimov ready to recognize Taleban’, *Inside Central Asia*, No. 346, 9-15 Oct. 2000, page 3

⁷⁴³ Agence France Press, ‘Facing threat from Afghanistan, Kyrgyzstan, Uzbekistan boost military ties’, AFP Press release 20000927, accessed from URL: <http://www.yahoo.com/fullcoverage/afghanistan> on 20000927

⁷⁴⁴ Inside Central Asia, ‘President Karimov says Taleban threat exaggerated’, *Inside Central Asia*, No. 344, 25 September- 1 October 2000, page 3

⁷⁴⁵ Thomsen, Peter, ‘Geopolitics of an Afghan settlement’, *Perceptions - Journal of International Affairs*, December 2000- February 2001, Vol V, No 4, accessed from Internet URL: <http://www.afghan-politics.org> on 20010403

into details of issues such as terrorism, extremism and ceaseless opium cultivation and drug trafficking in the areas controlled by the Taliban. They have a direct inter-relationship with the armed conflicts in Afghanistan. They represent menaces to the neighbouring countries, the region and the world in general".⁷⁴⁶

The national sentiments in Iran are quite anti-Afghan and there are even reports that nationalist Iranians have killed non-Taliban Afghan refugees.⁷⁴⁷ The Iranian Parliament has declared that the refugees are the prime source of unemployment in Iran and therefore the Iranian MPs asked the President to repatriate them to Afghanistan.⁷⁴⁸ However, the picture is not completely straightforward, a year after Iran and the Taliban nearly went to war, Iran signed a deal to sell flour and fuel to the Taliban as well as allowing transit of trade from Iran.⁷⁴⁹

Iran has a history of complicated relations to Afghanistan. Apart from religious and ethnic connections complicating relations, Iran has had territorial claims on the region around the city of Herat. There are fears in Iran that a hostile government in Kabul could lead to an Iranian-Afghan conflict over the division of the water resources in Hirmand Rud.⁷⁵⁰ Another issue with potential to turn into a threat to Iran is the question of possible Hazari irredentism to their Shiite brethren in Iran although this seems unlikely since the Hazaris are primarily based in an area in central Afghanistan surrounded by other non-secessionist groups.⁷⁵¹

Ethnic/religious connections

Iran has been involved in supporting the Taliban adversaries, above all Shiite groups. Approximately 15 % of Afghanistan's population are Shiite's. The Shiite groups, in particular the Hazaras, were given military and economic support by Iran already during the Soviet occupation.⁷⁵² Iran has on a number of occasions protested against what they describe as genocide. When the Taliban massacred Shiites in connection to the capture of the predominately Shiite city of Bamiyan in September 1998, Iran claimed a right of self-defence against the Taliban under the UN charter. The Iranian government has stated that: "Tehran has tried to make the (United Nations) Security Council aware of a situation which can threaten international peace and security. After this process, Iran will have the right under Chapter 7, Article 51 of the UN Charter to take all necessary action in the context of legitimate

⁷⁴⁶ Iranian Ministry of Foreign Affairs, 'Dr.Kharrazi: Militarist Policy of Taliban, Their Supporters Naïve', Iran MFA bulletin, accessed from <http://www.mfa.ir> on 20001027

⁷⁴⁷ Hyman, Anthony, 'Afghanistan and rival foreign policies' in Davidson, Anders and Peter Hjukström (eds), *Afghanistan, aid and the Taliban: Challenges on the eve of the 21st century*, Swedish Committee for Afghanistan, Stockholm, 1999, page 19-20

⁷⁴⁸ IRNA, '300 Afghan refugees repatriated from central Iran', 20001030, accessed from URL: <http://www.afghan-web.com/aop/today.html> on 20001031

⁷⁴⁹ Clarke, Kate, 'Taleban want wheat ban lifted', 991116, BBC World Service, accessed from Internet URL: <http://www.bbcnews.co.uk> on 20001214

⁷⁵⁰ Lotfian, Saideh, 'Threat perception and military planning in Iran: credible scenarios and opportunities for confidence building', in Eric Arnett (ed.), *Military capacity and the risk of war: China, India, Pakistan and Iran*, Oxford University Press, Oxford, 1997, pages 202-203

⁷⁵¹ Magnus, Ralph H. And Eden Naby, *Afghanistan - Mullah, Marx and Mujahid*, Westview Press, Boulder Colorado, 1998, page 165

⁷⁵² Rashid, Ahmed, *Taliban - Islam, Oil and the New Great game in Central Asia*, I.B. Tauris Publishers, London, 2000, page 198

defence".⁷⁵³ Reports claim that the commander of the Iranian Revolutionary Guard reorganised United Front leader Ismail Khan's forces after the fall of Herat in September 1995 to make them more effective.⁷⁵⁴ Other reports claim that Iran sent a force of 1 000 troops to support Khan's forces.⁷⁵⁵ Since Iran did not have direct land links to the areas controlled by the United Front the roundabout route via Central Asia was necessary for arms supplies to the United Front. In October of 1998, Kyrgyz forces stopped a train en route from Iran to Tadjikistan with approximately 700 tons of arms and ammunition allegedly destined for the United Front.⁷⁵⁶ The arms and ammunition was sent disguised as humanitarian aid to the victims of an earthquake in northern Afghanistan.⁷⁵⁷

The Taliban on its side was initially neutral towards the Hazaras and even co-operated with them in 1995, after Masood had attacked the Hazaras during the siege of Kabul. However, the Hazaras became hostile towards the Taliban after an influential Hazara leader, Abdul Ali Mazari, was killed under unclear conditions while in custody of the Taliban.⁷⁵⁸ The Taliban became aggressive after a serious defeat in Mazar-i-Sharif in May 1997, which they blamed Iran for. They further accused the Hazara's for staging a massacre on the Taliban fighters after the defeat in Mazar-i-Sharif.⁷⁵⁹ Subsequently, they started attacking the Hazaras. The Taliban also closed the Iranian embassy in Kabul arguing the Iran was "destroying peace and stability in Afghanistan".⁷⁶⁰

The conflict between Iran and the Taliban escalated in the summer of 1998. When the Taliban captured Mazar-i-Sharif in 1998, they massacred numerous Hazaras, killed 11 Iranian diplomats and a journalist and further captured 35 Iranian lorry drivers who they accused of smuggling arms and ammunition to the United Front. The government in Teheran claimed that the drivers were civilians transporting humanitarian aid on their private initiative.⁷⁶¹ The killings led to demands from Iranian politicians and general public that the Taliban should be punished militarily for their actions. Iran moved 200 000 troops to the border to Afghanistan to carry out a military exercise code-named Zulfaqr 2.⁷⁶² The Iranian foreign minister said "I warn the Taliban and those who support them that we will not tolerate instability and conspiracy along our borders. We had an agreement with Pakistan that the Afghan problem

⁷⁵³ BBC World Service, 'Iran asserts right to attack Taleban', 19980905, accessed from Internet URL: <http://www.bbcnews.co.uk> on 20010209

⁷⁵⁴ Magnus, Ralph H. and Eden Naby, *Afghanistan - Mullah, Marx and Mujahid*, Westview Press, Boulder Colorado, 1998, page 190

⁷⁵⁵ Ahady, Anwar ul-haq, 'Saudi Arabia, Iran and the Taliban', in William Maley (ed.), *Fundamentalism reborn? Afghanistan and the Taliban*, Hurst & Company, London, 1998, page 127

⁷⁵⁶ Rashid, Ahmed, *Taliban - Islam, Oil and the New Great game in Central Asia*, I.B. Tauris Publishers, London, 2000, page 203

⁷⁵⁷ Hyman, Anthony, 'Afghanistan and rival foreign policies' in Davidson, Anders and Peter Hjukström (eds), *Afghanistan, aid and the Taliban: Challenges on the eve of the 21st century*, Swedish Committee for Afghanistan, Stockholm, 1999, page 19

⁷⁵⁸ Rashid, Ahmed, *Taliban - Islam, Oil and the New Great game in Central Asia*, I.B. Tauris Publishers, London, 2000, page 35

⁷⁵⁹ Rashid, Ahmed, *Taliban - Islam, Oil and the New Great game in Central Asia*, I.B. Tauris Publishers, London, 2000, page 35

⁷⁶⁰ Rashid, Ahmed, *Taliban - Islam, Oil and the New Great game in Central Asia*, I.B. Tauris Publishers, London, 2000, page 203

⁷⁶¹ UN Report of the Secretary General on the situation in Afghanistan and its implications for international peace and security, UN document S/1998/913, 2 October 1998

⁷⁶² BBC World Service, 'Iran reports border clash with Taleban', accessed from Internet URL: <http://www.bbcnews.co.uk>, 20000730

would not be resolved through war. Now this has happened and we cannot accept it".⁷⁶³ The tension was raised further when the Taliban responded by distributing arms to villages in western Afghanistan and also deploying forces in Herat. The Taliban also accused Iran of violating Afghan airspace on a number of occasions.⁷⁶⁴ The Taliban said "Iran must know that if the soil of Afghanistan is attacked, we will target Iranian cities and the entire responsibility will rest with Iranian authorities".⁷⁶⁵ The tension never resulted in any serious armed conflict despite a number of incidents and exchanges of fire on both sides.

Iran has also given support to the Tadjik part of the United Front. The Tadjiks speak Dari, which is a Persian dialect, and have historical, cultural and ethnic links to Iran. If the Tadjiks would gain control over Afghanistan, Iran could become an even more important player in the region. Iran could gain significant influence over the southbound pipelines from the oil fields in Central Asia. Interestingly enough, further complicating the regional security complex, Iran has been accused by the government of Tadjikistan for training and supporting the Tadjik Islamic opposition in the Tadjik civil war.⁷⁶⁶

Geopolitics

On a more global level Teheran has accused the Taliban government in Kabul for being a Saudi-Arabian puppet that in the longer perspective is an instrument of U.S. imperialism and thus a direct threat to Iran.⁷⁶⁷ According to Iran there was a division of labour between Pakistan, Saudi Arabia and the USA in the support of the Taliban where Pakistan supplied logistics, Saudi Arabia finance and the USA the overall strategy.⁷⁶⁸ In addition, Iran saw the Taliban take-over as a U.S.-sponsored Sunni conspiracy.⁷⁶⁹ An Iranian official said, "U.S. policy is forcing us to join Russia and the Anti-Taliban alliance against Pakistan, Saudi Arabia and the Taliban".⁷⁷⁰

Iranian relations with Pakistan are strained since the two countries have supported opposing factions in the Afghan civil war. However, the relations were at least superficially improved in 1997, when they launched a joint peace initiative to end the conflict in Afghanistan. But the peace initiative came to nothing, and the relations between Iran and Pakistan remained tense. The Pakistanis invited the Iranian government to a further peace attempt in the Afghan city of

⁷⁶³ Rashid, Ahmed, *Taliban - Islam, Oil and the New Great game in Central Asia*, I.B. Tauris Publishers, London, 2000, page 204

⁷⁶⁴ Hyman, Anthony, 'Afghanistan and rival foreign policies' in Davidson, Anders and Peter Hjukström (eds), *Afghanistan, aid and the Taliban: Challenges on the eve of the 21st century*, Swedish Committee for Afghanistan, Stockholm, 1999, pages 19-20

⁷⁶⁵ Bergen, Peter, 'Taliban threatens retaliation if Iran strikes', CNNonline 19980915, accessed from Internet URL: <http://www.cnn.com> on 20010209

⁷⁶⁶ Roeder, Philip G., 'From Hierarchy to Hegemony: The Post-Soviet security complex', in David A Lake and Patrick M. Morgan (eds.), *Regional orders - Building security in a new world*, Pennsylvania State University Press, University Park, Pennsylvania, 1997, page 239

⁷⁶⁷ Hyman, Anthony, 'Afghanistan and rival foreign policies' in Davidson, Anders and Peter Hjukström (eds), *Afghanistan, aid and the Taliban: Challenges on the eve of the 21st century*, Swedish Committee for Afghanistan, Stockholm, 1999, page 18

⁷⁶⁸ Ahady, Anwar ul-haq, 'Saudi Arabia, Iran and the Taliban', in William Maley (edt.), *Fundamentalism reborn? Afghanistan and the Taliban*, Hurst & Company, London, 1998, pages 127-128

⁷⁶⁹ Magnus, Ralph H. And Eden Naby, *Afghanistan - Mullah, Marx and Mujahid*, Westview Press, Boulder Colorado, 1998, page 190

⁷⁷⁰ Rashid, Ahmed, *Taliban - Islam, Oil and the New Great game in Central Asia*, I.B. Tauris Publishers, London, 2000, page 177

Mazar-i-Sharif in the summer of 1998. A few weeks later the Taliban invaded the city and killed Iranian diplomats that led to increased Iranian suspicion against the Pakistani government.⁷⁷¹ To add a further regional twist to this, it can be added that Iran accused Pakistan of supporting the Taliban attack on Bamiyan in September 1998 with military aircraft.⁷⁷² Iran has also expressed concern over the attacks against Shiites in Pakistan. However, in 1999 the relations improved again when the two countries decided to co-ordinate their efforts to reach peace in Afghanistan.⁷⁷³

Iran has claimed that the Taliban supports militant Sunni groups that want to overthrow the government to turn Iran into a Taliban-inspired Sunni Islamic state. The prime receiver of Taliban support through arms and training was the organisation Ahl-e-Sunnah Wal Jamaat, which has been allowed to set up a base in Kandahar to recruit fighters. The group has gathered fighters from Iran's Afghan, Turkmen and Baluchi minorities.⁷⁷⁴ The Iranian opposition group Mujahideen-e-Khalq that primarily operates from Iraq is also reported to have visited the Taliban in order to set up a base in Kandahar but has so far not managed to reach an agreement with the Taliban.⁷⁷⁵ The support of the opposition groups has been admitted by the Taliban who claimed that "Afghanistan is capable of harbouring opponents of the Iranian government inside Afghan territory and thus of creating problems for Iran".⁷⁷⁶

Drugs

Like many other countries in the region Iran has accused the Taliban of proliferating drugs. As mentioned above, addressing the UN 6+2 meeting on the sidelines of the UN General Assembly meeting, Iranian foreign minister Dr. Kamal Kharrazi stated that the Taliban drug trafficking "represent menaces to the neighbouring countries, the region and the world in general". He also stated "[the] eradication [of the Taliban] requires global engagement through generating both political will and financial resources necessary to combat them. In this regard, we are very pleased with the adoption of the regional action plan to combat drug production and trafficking in Afghanistan".⁷⁷⁷ Iran claims to have spent \$350 million during 1998 to combat drug trafficking.⁷⁷⁸

⁷⁷¹ Rashid, Ahmed, *Taliban - Islam, Oil and the New Great game in Central Asia*, I.B. Tauris Publishers, London, 2000, page 204

⁷⁷² Hyman, Anthony, 'Afghanistan and rival foreign policies' in Davidson, Anders and Peter Hjukström (eds), *Afghanistan, aid and the Taliban: Challenges on the eve of the 21st century*, Swedish Committee for Afghanistan, Stockholm, 1999, page 17

⁷⁷³ BBC World Service, 'Pakistan and Iran agree Afghan effort', 991209, accessed from Internet URL: <http://www.bbcnews.co.uk> on 20001214

⁷⁷⁴ Rashid, Ahmed, *Taliban - Islam, Oil and the New Great game in Central Asia*, I.B. Tauris Publishers, London, 2000, page 203

⁷⁷⁵ Rashid, Ahmed, 'Heart of Darkness', *Far Eastern Economic Review*, August 5, 1999, Accessed from URL: <http://www.feer.com> on 20000720

⁷⁷⁶ Rashid, Ahmed, *Taliban - Islam, Oil and the New Great game in Central Asia*, I.B. Tauris Publishers, London, 2000, page 204

⁷⁷⁷ *Statement from Foreign ministry of Iran*, 'Dr.Kharrazi: Militarist Policy of Taliban, Their Supporters Naive', 20000916 accessed from Internet URL: <http://www.gov.ir/mfa> on 20001030

⁷⁷⁸ Cooley, John K., *Unholy wars - Afghanistan, America and International terrorism*, Pluto Press, London, 1999, page 152

China

Islamic separatism

China blames the Taliban for the increased unrest in China's western provinces, in particular Xinjiang. Members of the Uighur Muslim separatist groups in China fought in the Afghan Mujahedeen. When the Soviets left Afghanistan, many Uighurs returned to China, often fuelling separatist sentiments.⁷⁷⁹ The Uighurs continued supporting the Taliban and many fighters flowed back and forth across the border. Beijing fears that the Taliban brand of Islam has gained a foothold in Xinjiang thereby making the Uighurs more revolutionary. Many Uighurs have allegedly studied at the Pakistani madrassas.⁷⁸⁰ There are reports that the Taliban have trained and armed the Uighur separatist forces.⁷⁸¹ According to the administration in Xinjiang, the explosives and arms used in recent Uighur separatist attacks against Chinese security forces came from Afghanistan.⁷⁸² Chinese authorities claim that the explosives used were of Chinese origin but had been "exported to Pakistan and then re-exported to Afghanistan".⁷⁸³

The foreign minister of China asked Pakistan, during a visit to Islamabad in July 2000, to try to limit the Taliban's expansion to within the borders of Afghanistan. As a result representatives of the Taliban government promised a Chinese delegation visiting Pakistan that they would try to prevent Chinese Muslim separatists from training at Afghan territory. The Taliban blamed the strained relations between China and the Taliban on "foreign enemies trying to undermine relations between the two sides".⁷⁸⁴ China has co-ordinated the fight against the separatists regionally, through the set-up of a treaty between China, Russia, Tadjikistan Kazakhstan and Kyrgyzstan in 1998 in Alma-Ata.⁷⁸⁵ A similar treaty was again set up in the summer of 2000 to tackle "separatism and Islamic fundamentalism".⁷⁸⁶ China and Kazakhstan agreed in 1999 to "co-ordinate their operations against the separatists".⁷⁸⁷ China has also participated in several meetings of the Shanghai 5 group, named after the city where the group consisting of China, Russia, Tadjikistan, Kazakhstan and Kyrgyzstan held its first meeting in 1996. In a statement after a meeting of the Shanghai 5 group in Dushanbe the group securitised a number of issues among them Afghanistan. The group declared that they "would fight religious extremism, separatism, international terrorism and drug-trafficking"

⁷⁷⁹ Cooley, John K., *Unholy wars - Afghanistan, America and International terrorism*, Pluto Press, London, 1999, pages 72-73

⁷⁸⁰ Rashid, Ahmed, 'Taliban Temptation', *Far Eastern Economic Review*, March 11, 1999, page 21

⁷⁸¹ Kartha, Tara, *Tools of terror - Light weapons and India's security*, Knowledge world, Delhi, 1999, pages 94-95

⁷⁸² Rashid, Ahmed, 'Taliban Temptation', *Far Eastern Economic Review*, March 11, 1999, page 22

⁷⁸³ Ahari, Ehsan M., 'China, Pakistan and the 'Taliban Syndrome'', *Asian Survey Vol.XL, No. 4 July/August 2000*, page 662

⁷⁸⁴ BBC World Service, 'Taleban assure China over extremists', accessed from Internet URL:

<http://www.bbcnews.co.uk> on 20000729

⁷⁸⁵ BBC World Service, 'Central Asia tightens co-operation', 980703, accessed from Internet URL:

<http://www.bbcnews.co.uk> on 20000814

⁷⁸⁶ Aneja, Atul, 'China working towards consolidation of Xinjiang', *The Hindu*, 20000911, accessed from Internet URL: <http://www.hinduonline.com> 20000911

⁷⁸⁷ BBC World Service, 'China, Kazakhstan vow to fight separatists', 991124, accessed from Internet URL: <http://www.bbcnews.co.uk> on 20000814

and said that they were “deeply concerned about the situation in Afghanistan, which threatened regional and international security”.⁷⁸⁸

Drugs

Like other countries in the region China has securitised the drugs trafficking from Afghanistan, like for instance in connection to meetings of the Shanghai 5, as well as the 6+2 group. China has also experienced an increase in smuggling of consumer goods and drugs but the effects have not been as significant as in the case of Pakistan.⁷⁸⁹ However, there are no statements regarding Taliban and drugs from the Chinese Foreign Ministry.

Russia

Russia’s position in the Afghan civil war was from the beginning shaped by its support of the Najibullah government. When Najibullah was ousted, Russia continued to support the Rabbani government as well as Masood with economic and military aid. This support was largely due to Russian fears that militant Islam and unrest would spread from the Tadjik civil war to other parts of Russia. Further, there was a fear of instability in the CIS states which function as buffer states for Russia.⁷⁹⁰

Geopolitics

Russia’s involvement in Central Asia can be understood from the concept of the “near abroad”, which means that Russia considers the borders of the former Soviet republics to be the borders of Russia. The newly independent states are regarded as buffer states between Russia and the rest of the world. In a Russian foreign policy statement it is stated that the Afghan conflict is a “real threat to the security of the southern CIS borders and directly affects Russian interests”.⁷⁹¹ In 1995 Viktor Chernomyrdin, the then Prime Minister, said in a statement in connection to Taliban advances that “the flame of war is approaching the borders of the CIS states, and this creates a direct threat to the national interests and security of these states and of the CIS in general and destabilizes the regional and international situation”.⁷⁹² President Putin has declared that Russia will strive to prevent the fighting in Afghanistan “from spilling over into the former Soviet Union” and claimed that it is necessary to maintain the United Front as a buffer between the Taliban and the Central Asian states.⁷⁹³ The Russian Foreign Ministry Collegium described the Taliban-controlled parts of Afghanistan as “a bridgehead for transborder expansion of instability”.⁷⁹⁴ Putin has further established Russian

⁷⁸⁸ BBC World Service, ‘Shanghai Five vow to fight extremism’, 20000705 accessed from Internet URL: <http://www.bbcnews.co.uk>, on 20001213

⁷⁸⁹ Rashid, Ahmed, ‘Taliban Temptation’, *Far Eastern Economic Review*, March 11, 1999, page 22

⁷⁹⁰ Matinuddin, Kamal, *The Taliban Phenomenon - Afghanistan 1994-1997*, Oxford University Press, Karachi, 1999, page 176

⁷⁹¹ Russian Ministry of Foreign Affairs, ‘THE FOREIGN POLICY CONCEPT OF THE RUSSIAN FEDERATION’, 20000628, accessed from URL: <http://www.mid.ru/mid/eng/econcept.htm> on 20001030

⁷⁹² Hyman, Anthony, ‘Russia, Central Asia and the Taliban’, in William Maley (ed.), *Fundamentalism reborn? Afghanistan and the Taliban*, Hurst & Company, London, 1998, page 106

⁷⁹³ Radyuhin, Vladimir, ‘Putin to seek joint action with India against Taliban’, *The Hindu*, 20001003, accessed from <http://www.hinduonline.com> on 20001003

⁷⁹⁴ Russian Foreign Ministry Collegium, 1422-7-12-2000, accessed from Internet URL: <http://www.minfa.ru> on 20001211

interests in Central Asia in a statement from May 2000: "it is obvious that a threat to Uzbekistan is unequivocally a threat to the Russian Federation. If we do not understand this we will have to deal with the threat on our own territory".⁷⁹⁵

Russia has dealt with the Taliban threat by setting up a number of defence and security agreements with the Central Asian states, in particular on border patrols between the Central Asian states and Iran, Afghanistan and China. Russia has stationed forces in Tadjikistan both as peacekeepers in the Tadjik civil war but also to protect the Tadjik border to Afghanistan. Reinforcements from the Russian army were brought to the border as a response to the Taliban advancement towards the Tadjik border in September 2000. Further actions to protect the Russian border forces were taken as a result of stray artillery shells from Taliban positions landing in Tadjikistan.⁷⁹⁶ The Kremlin security chief Sergey Ivanov characterised the Taliban threat in the following way: "It is not a classic aggression from World War II textbooks. It's a creeping aggression, but is no less dangerous for that".⁷⁹⁷

The Islamic threat

Russia fears that the Taliban brand of Islam will spread to the recently established states of Central Asia. Right after the Taliban captured Kabul in 1996, Boris Jeltsin voiced concern that the Taliban constituted a direct threat to the Central Asian states and that the Taliban aimed to annex part of Central Asia.⁷⁹⁸ The chief of staff of the Russian Federal Border Guard Service, Colonel General Nikolaj Reznichenko, made a statement that illustrates the Russian position. In April 2000 Reznichenko declared that there was no risk of "direct armed aggression by the Taliban [but] its ideological influence may increase, which will provide direct support to Islamic extremists in the [Central Asian] region"⁷⁹⁹

The countries in the region have met several times to discuss how to counter the spread of militant Islam and "terrorism". In direct connection to the Taliban advancement into Kabul a meeting between Russia, Kazakhstan, Tadjikistan, Uzbekistan and Kyrgyzstan was held in the Kazakh capital to form a strategy to deal with the "Islamic threat". In June 2000, there were reports that the CIS would deploy forces in Uzbekistan to counter the threat from Afghanistan.⁸⁰⁰ Later, in August 2000, the presidents of Kazakhstan, Kyrgyzstan, Tadjikistan, Uzbekistan and Russian Security Council Secretary Sergei Ivanov, discussed ways to deal with the Islamic threat. During this meeting the Central Asian states accused each other of being unable to deal with the threat from Muslim extremists with particular reference to the Ferghana valley.⁸⁰¹ More recently, the Russian Foreign Ministry claimed that there exists a

⁷⁹⁵ Inside Central Asia, 'Putin warns of pre-emptive strike against "terrorists"', *Inside Central Asia*, No. 325, 15-21 May 2000, page 6

⁷⁹⁶ BBC World Service, 'Tadjik-Afghan border tense', 20000925, accessed from URL: <http://www.bbcnews.co.uk> on 20000926

⁷⁹⁷ Radyuhin, Vladimir, 'Putin to seek joint action with India against Taliban', *The Hindu*, 20001003, accessed from <http://www.hinduonline.com> on 20001003

⁷⁹⁸ Marsden, Peter, *The Taliban - War, religion and the new order in Afghanistan*, Zed books ltd., London, 1999, pages 130-131

⁷⁹⁹ Inside Central Asia, 'Russia moves to bolster Tadjik border against Taliban threat', *Inside Central Asia*, No. 322, 25 April-30 April 2000, page 2

⁸⁰⁰ Vladimir Radyuhin, 'CIS to deploy troops in Uzbekistan', *The Hindu*, 20000621, Accessed from URL: <http://www.hinduonline.com> 20000621

⁸⁰¹ AFP, 'Central Asian leaders call for resolution of Afghan civil war' 20000821, accessed from URL <http://www.yahoo.com/fullcoverage/afghanistan> on 20000823

“growing network of bases and camps for military and sabotage training of religious extremists from Central Asian and Arab states, Pakistan, China, other countries and some regions of Russia, including Chechens” in Taliban-controlled Afghanistan.⁸⁰²

The possibility that the unrest in Afghanistan may spread to other Muslims areas in Russia like the Middle Volga-Southern Urals populated by Tartars and Bashikiris has been mentioned but is often downplayed.⁸⁰³ Nevertheless, in August 2000, Russia moved to outlaw “Wahhabism” in order to stop the influence of fundamentalist Islam in the Muslim parts of the Russian federation as well as in Central Asia. It is estimated that around 80 Wahhabi organisations are active in Russia.⁸⁰⁴

Other less official measures to counter the Taliban and the “Islamic threat” is the Russian supply of arms, fuel and training to the enemies of the Taliban. These operations has continued although, as recently as in July 1999, the countries in the 6+2 group signed the Tashkent Declaration on Fundamental Principles for a Peaceful Settlement of the Conflict in Afghanistan, in which the signatories agreed to stop the arms supplies to the parties of the Afghan Civil war.⁸⁰⁵ Masood’s forces established a supplies base in Tadjikistan and Dostum was allowed to set up a similar base in Uzbekistan. From these two bases arms, ammunition and fuel from Russia, Uzbekistan and Tadjikistan are distributed to the United Front.⁸⁰⁶ Recently, Russia denied helping “the enemies of the Taliban” arguing that the conflict is an “internal matter” of Afghanistan.⁸⁰⁷

Russia has often accused the Taliban of supporting and training the separatist forces of Chechnya. In September 1999, Russian Deputy Foreign Minister Gregory Karasin said that, “Russia will energetically prevent Afghanistan from becoming a rear base for the Chechen terrorists” and went on to say that “the territory of Afghanistan controlled by the Taliban is developing into a hotbed and base of international terrorism, religious extremism and the drug trafficking”.⁸⁰⁸ During the spring of 2000, Russia threatened to carry out preventive air strikes against Taliban controlled regions of Afghanistan and what is suspected to be training camps for Chechen forces. At a later stage the Russian Secretary to the UN security council Sergey Ivanov modified the content of the threat saying that “preventive measures” did not necessarily imply “military strikes”, but could include diplomatic and economic pressure on the Taliban, as well as “increased support for the legitimate Government of Afghanistan”, i.e. the government in exile led by Rabbani.⁸⁰⁹ The Taliban denied the existence of Chechen training camps and threatened to retaliate with attacking Uzbekistan if Russia carried out the

⁸⁰² Russian Foreign Ministry Collegium, 1422-7-12-2000, accessed from Internet URL: <http://www.minfa.ru> on 20001211

⁸⁰³ Belokrenitsky, Vyacheslav, ‘Russian-Afghan relations, in Gennady Chuftrin (ed.), *Russia and Asia - the emerging security agenda*, Oxford University Press, Oxford, 1999, page 202

⁸⁰⁴ Radyuhin, Vladimir, ‘Russia plans ban on fundamentalist group’, *The Hindu* 20000806, Accessed from URL: <http://hinduonline.com> on 20000806

⁸⁰⁵ UN Report of the Secretary General on the situation in Afghanistan and its implications for international peace and security, UN document S/1999/994, 21 September 1999

⁸⁰⁶ Risen, James, ‘Russians Are Back in Afghanistan, Aiding Rebels’, *New York Times*, July 27 1998, Accessed from URL: <http://www.nytimes.com> on 20000728

⁸⁰⁷ BBC World Service, ‘Tadjik-Afghan border tense’, 20000925, accessed from URL: <http://www.bbcnews.co.uk> on 20000926

⁸⁰⁸ Xinhua, Russia Aims to Cut Terrorist Links Between Chechen, Afghanistan, 19991021, accessed from Internet URL: <http://www.afghan-politics.org> on 20010209

⁸⁰⁹ Vladimir Radyuhin, ‘Russian commandos to attack Taliban?’, *The Hindu*, 20000601, Accessed from URL: <http://www.hinduonline.com> 20000601

air strikes. The Taliban probably believed Russia would use bases in Uzbekistan for the air strikes.⁸¹⁰ Subsequently the Taliban deployed troops in Hairaton town in Balkh Province on the border to Uzbekistan and accused Uzbekistan for violations of Afghani airspace.⁸¹¹

Beyond the Taliban, Russia has also involved Pakistan in its fears of Islamic fundamentalism. As an example the then Defence Minister of Russia, Igor Rodionov stated in May 1997 that there were "plans by military circles in Afghanistan and Pakistan to an escalation of the tension on the borders of the Central Asian states".⁸¹² Russia has also accused Pakistan for directly supporting the Taliban offensive in northern Afghanistan in August 1998 with both weapons and regular troops.⁸¹³ Pakistan has responded to these accusations by accusing Russia of supporting the United Front and thus prolonging the Afghan civil war.⁸¹⁴

Drugs

Like many other countries in the region, Russia regards the drug proliferation from Afghanistan as a serious security problem. In a statement from a meeting of the Russian Foreign Ministry Collegium it was said, "[I]llegal production and sale of drugs, growing incomes from which finance military terrorist activities, has assumed a threatening scale in Afghanistan. The steady growth of Afghan drug trafficking poses a real threat to Russia, the Central Asian and other states". Further, the statement argued for support of "the plan of regional actions to combat the Afghan narcothreat which has been approved by the world community and is aimed at creating an anti-narcotic "security belt" around Afghanistan".⁸¹⁵

USA

During the first four years of the Taliban's existence, from 1994 until 1997, the U.S. was cautiously positive towards the Taliban. In fact, the U.S. hinted that they might set up diplomatic relations with the Taliban and re-open the embassy in Kabul. When the Taliban captured Kabul, the State Department spokesman, Nicholas Burns, expressed hope that the Taliban "will act quickly to restore order and security and to form a representative interim government that can begin the process of reconciliation nation-wide" and further added that the U.S. had been in contact with the Taliban for a number of years.⁸¹⁶ In 1996, the U.S. Assistant secretary of State for South Asia, Robin Raphel said "Afghanistan has become a conduit for drugs, crime and terrorism that can undermine Pakistan, the neighbouring Central

⁸¹⁰ BBC World Service, 'Taleban threaten retaliation against Uzbekistan', accessed from Internet URL: <http://www.bbcnews.co.uk>, 20000730

⁸¹¹ UN Report of the Secretary General on the situation in Afghanistan and its implications for international peace and security, UN document A/54/918-S/2000/581, 16 June 2000

⁸¹² Hyman, Anthony, 'Russia, Central Asia and the Taliban', in William Maley (ed.), *Fundamentalism reborn? Afghanistan and the Taliban*, Hurst & Company, London, 1998, page 110

⁸¹³ BBC World Service, 'Pakistan helping Taleban' - Russia', 980811, accessed from Internet URL: <http://www.bbcnews.co.uk> on 20001211

⁸¹⁴ BBC World Service, 'Pakistan attacks Afghan sanctions', 20001208, accessed from Internet URL: <http://www.bbc.co.uk> on 20001214

⁸¹⁵ Russian Foreign Ministry Collegium, 1422-7-12-2000, accessed from Internet URL: <http://www.minfa.ru> on 20001211

⁸¹⁶ Stobdan, P., *The Afghan Conflict and Regional Security*, IDSA, New Delhi, 1999, Accessed from Internet URL: <http://www.afghan-politics.org> on 20000413 page 4

Asian states and have an impact beyond Europe and Russia".⁸¹⁷ Raphael also said that "We do not favour one faction over another and nor do we give any group or individual support" and doubted that the Taliban would be able to conquer Kabul.⁸¹⁸

There has been much speculation regarding the initial U.S. policy towards the Taliban movement. The U.S. has interests in the oil and gas-fields in Central Asia and it has been mentioned that a stable Afghanistan under the Taliban would ensure exports. By having a pipeline through Afghanistan and Pakistan instead of Iran, the U.S. also sought to avoid the leverage an American owned pipeline could give Iran. A representative of the U.S. National Security Council has also stated that the diversification of supply-lines was in the interest of the western states from an energy security perspective since there was a risk that Russia would have too much influence on the oil flow from the Caspian and Central Asian regions.⁸¹⁹ Representatives of the U.S. told a Taliban delegation visiting Washington that the U.S. would support building a pipeline from Central Asia through Afghanistan if peace could be reached in Afghanistan.⁸²⁰

Terrorism

A major change in U.S. policy towards the Taliban occurred as a consequence of the Taliban's harbouring of suspected terrorist leader Usama bin Laden. In November of 1996, the State Department announced a reward of \$5 million for information leading to the arrest of Bin Laden.⁸²¹ In 1998, U.S. missiles attacked suspected terrorist camps in Afghanistan after Usama bin Laden and his organisation Al-Qaida had been accused of being behind the bombings of U.S. embassies in Kenya and Tanzania. The U.S. further imposed economic sanctions against the Taliban in July 1999, in order to force them to extradite bin Laden. According to the Executive order from the White House regarding the sanctions, the U.S. "...finds that the actions and policies of the Taliban in Afghanistan...constitute an unusual and extraordinary threat to the national security and foreign policy of the United States".⁸²² The sanctions were extended a year later since "This situation continues to pose an unusual and extraordinary threat to the national security and foreign policy interests of the United States".⁸²³ It is notable that what is considered to be U.S. *national* security reaches far beyond the *national* borders of the USA, indicating a rather unclear meaning of the concept of sovereignty. Finally in December 1999, officials from the State department warned the Taliban saying: "We will hold the Taliban responsible for any terrorist attack carried out by bin Laden's network".⁸²⁴

⁸¹⁷ Rashid, Ahmed, *Taliban - Islam, Oil and the New Great game in Central Asia*, I.B. Tauris Publishers, London, 2000, page 178

⁸¹⁸ Rashid, Ahmed, *Taliban - Islam, Oil and the New Great game in Central Asia*, I.B. Tauris Publishers, London, 2000, page 46

⁸¹⁹ Rashid, Ahmed, *Taliban - Islam, Oil and the New Great game in Central Asia*, I.B. Tauris Publishers, London, 2000, pages 173-174

⁸²⁰ BBC World Service, 'U.S. pledges support for Afghan oil pipeline if Taliban makes peace', 971210, accessed from Internet URL: www.bbcnews.co.uk on 20001212

⁸²¹ Cooley, John K., *Unholy wars - Afghanistan, America and International terrorism*, Pluto Press, London, 1999, page 253

⁸²² White House Executive Order, 'Blocking property and prohibiting transaction with the Taliban', issued 19990706

⁸²³ White House Statement, President Continues National Emergency With Respect to Taliban, 20000630 accessed from Internet URL: <http://usinfo.state.gov> on 20001130

⁸²⁴ Koppel, Andrea, 'U.S. to Taliban: We will hold you responsible for any bin Laden attacks', CNN 19991215, accessed from Internet URL: <http://www.cnn.com> on 20010209

In response to the embassy bombings in 1998, representatives in Congress called for sending military aid to the United Front to force the Taliban to extradite Usama bin Laden. The Clinton administration, however, decided to limit its involvement to humanitarian aid to the warring factions in Afghanistan.⁸²⁵ Assistant Secretary of State Karl F. Inderfurth and Deputy Minister of Foreign Affairs of the Russian Federation A.P. Losyukov said in a joint statement after a meeting in Moscow in late May 2000 that the Taliban should "...take real steps towards dismantling, without delay, the terrorist infrastructure active in Taliban-controlled territory, which poses a threat to stability and security within the region and beyond".⁸²⁶

To illustrate the changing U.S. securitisations of the Taliban it is worth looking at the how the annual U.S. State Department report *Patterns of global terrorism* treats Afghanistan. In the 1996 report the Taliban were not described as actively participating in the training of terrorists but rather "only" letting the camps continue to exist.⁸²⁷ According to *Patterns of Global Terrorism 1997*, "the Taliban, as well as many of the other combatants in the Afghan civil war, facilitated the operation of training and indoctrination facilities for non-Afghans".⁸²⁸ In the 1998 report there was no mentioning of other actors in the Afghan civil war hosting or training terrorists, only the Taliban support of terrorists was discussed.⁸²⁹ Finally, the report from 1999 accused the Taliban of permitting "the operation of training and indoctrination facilities for non-Afghans and provided logistic support to members of various terrorist organizations and *mujahidin*, including those waging *jihads* in Chechnya, Lebanon, Kosovo, Kashmir, and elsewhere" as well as of hosting Usama bin Laden. There was no mentioning of other groups and in a passage broadly referring to Afghanistan as a training ground for Islamist extremists it is pointed out that the Taliban control "most Afghan territory" thus implying the Taliban responsibility. The report also says that the U.S. will hold the Taliban responsible for any terrorist attacks carried out by bin Laden or his organisation.⁸³⁰ Assistant Secretary of State Inderfurth repeated the Taliban responsibility for Usama bin Laden in a testimony to the Senate Foreign Relations Committee where he added that the U.S. "reserve the right to use military force in self-defense if required".⁸³¹ Assistant Secretary of State Inderfurth legitimised the UN Security Council sanctions against the Taliban in December 2000, by stating that "Let me be blunt about this: because of their support for terrorist organizations and the fact that they allow terrorist training camps in Afghan territory, the Taliban are a threat to the international community".⁸³²

⁸²⁵ Agence France Press, 'U.S. rules out arming anti-Taliban alliance in Afghanistan', Pressrelease from AFP, accessed from Internet URL: <http://www.yahoo.com/fullcoverage/Afghanistan>, on 20000721

⁸²⁶ U.S. State Department, 'Support of Terrorism by the Taliban Cited in Joint Statement', Moscow, 20000530, accessed from Internet URL: <http://usinfo.state.gov> on 20001130

⁸²⁷ U.S. State Department, *Patterns of Global Terrorism 1996*, Accessed from Internet URL: <http://www.Afghan-politics.org> on 20001130

⁸²⁸ U.S. State Department, *Patterns of Global Terrorism 1997*, Accessed from Internet URL: <http://www.Afghan-politics.org> on 20001130

⁸²⁹ U.S. State Department, *Patterns of Global Terrorism 1998*, Accessed from Internet URL: <http://www.Afghan-politics.org> on 20001130

⁸³⁰ U.S. State Department, *Patterns of Global Terrorism 1999*, Accessed from Internet URL: <http://www.Afghan-politics.org> on 20001130

⁸³¹ U.S. State Department, 'The Taliban: Confrontation or engagement', Assistant Secretary of State, Bureau of South Asian Affairs, Karl F Inderfurth testimony to the Senate Foreign Relations Committee 20000720, accessed from Internet URL: <http://usinfo.state.gov> on 20001130

⁸³² Agence France Press, 'U.S. warns Taliban an 'International threat'', 20001215, Pressrelease from AFP, accessed from Internet URL: <http://www.yahoo.com/fullcoverage/Afghanistan> on 20001217

It is interesting to note that the U.S. has despite its accusations against the Taliban not designated Afghanistan as a “sponsor of terrorism” and imposed the sanctions that apply to states with this designation. The reason for this is that Afghanistan has not been recognised as a state by the U.S. Instead Afghanistan has been designated as a country “not cooperating fully with U.S. anti-terrorism efforts”, a designation based in a U.S. law from 1996. The National Commission on terrorism in the U.S. Senate argued in a report from 2000 that Afghanistan should be branded as a “sponsor of terrorism” and face the sanctions connected to this.

In response to the Taliban threat, the U.S. has supported governments in the Central Asian region. In 1999, the Clinton administration decided to increase its military aid to Uzbekistan. The aim of this support was “to ensure security, peace and development in the region”.⁸³³ The Tadjik Ministry of Foreign Affairs claimed in January 2001, that a U.S. delegation visiting Tadjikistan had promised military aid.⁸³⁴

The U.S. has also involved Pakistan in its policy towards the Taliban. According to *Patterns of Global Terrorism 1999*, “The United States repeatedly has asked Islamabad to end support to elements that conduct terrorist training in Afghanistan, to interdict travel of militants to and from camps in Afghanistan, to prevent militant groups from acquiring weapons, and to block financial and logistic support to camps in Afghanistan”. The report mentions that Pakistan has been asked to close down “certain madrasses, or “religious” schools, that actually serves as conduits for terrorism”.⁸³⁵ Assistant Secretary of State Inderfurth told Voice of America “Taliban's actions are not only threatening to others, but to Pakistan itself. And there is a concern about what is called the Talibanisation, or making more radical, Pakistan itself”.⁸³⁶

Drugs

In March 2000, the U.S. State Department recommended that Afghanistan along with Burma should face sanctions for its involvement in drug production and trafficking. Secretary of State Albright said that, “In Afghanistan, the opium harvest grew substantially and the Tale ban’s full complicity in the drug trade has extended to the point where both the harvesting and trafficking of opium is taxed”.⁸³⁷ A fact sheet published by the State Department Bureau on South Asia states “The Taliban benefit directly from poppy cultivation by imposing a tax on the opium crop, and they also profit indirectly from its processing and trafficking”. Further the State Department argues, “Narcotics-related income strengthens the Taliban's capacity to provide support for international terrorism”⁸³⁸. However, the State Department blames not only the Taliban but also the United Front, for drug production and trafficking. It is stated “The U.S. Government does not recognize either of Afghanistan’s major political factions but

⁸³³ BBC World Service, ‘U.S. increases military aid to Uzbekistan’ 20000927, accessed from Internet URL: <http://www.bbc.co.uk> on 20001102

⁸³⁴ BBC World Service, ‘U.S. funds for Tadjikistan border protection’, 20010118, accessed from Internet URL: <http://www.bbc.co.uk> on 20010209

⁸³⁵ U.S. State Department, *Patterns of Global Terrorism 1999*, Accessed from Internet URL: www.Afghan-politics.org on 20001130

⁸³⁶ PTI, ‘Taliban are threat to Pakistan: Inderfurth’ 20000902, accessed from Internet URL: <http://www.naradonline.com> on 20010209

⁸³⁷ BBC World Service, ‘U.S. links Taleban to drug trade’ 20000301, accessed from URL: <http://www.bbc.co.uk> on 20001101

⁸³⁸ U.S. State Department, ‘Fact sheet: The Taliban and the Afghan drug trade’, U.S. State Department Bureau of South Asian Affairs 20001220, accessed from Internet URL: <http://usinfo.state.gov> on 20010213

holds those factions responsible for illicit activities within their areas of control and operation”.⁸³⁹

Human Rights and International Law

The U.S. language as concerns the Taliban and human rights/international law has gone through changes. At the time when the Taliban took Kabul the Glyn Davies, spokesman of the U.S. State Department said “the United States finds nothing objectionable in the policy of the new government, including its move to impose Islamic law”.⁸⁴⁰

The U.S. has later stated that, “we are particularly concerned about the women and girls of Afghanistan, who are subject to systematic discrimination and repression. We call upon the factions to respect internationally accepted norms of behaviour”.⁸⁴¹ Former Secretary of State Madeleine Albright has criticised the Taliban for “their despicable treatment of women and children and their general lack of respect for human rights”.⁸⁴² She has also declared “I think it is very clear why we are opposed to the Taliban. Because of their approach to human rights”.⁸⁴³

The U.S. commented on the Taliban arrests of Iranian diplomats in 1998 by reminding “the Afghan factions that the holding of diplomats for any reason and at any time is unacceptable, given their special protected status under international law”.⁸⁴⁴ A spokesman of the U.S. state department stated in 1996 that the Taliban “directives threaten to generate international isolation, which would deny Afghanistan international assistance”.⁸⁴⁵

Saudi-Arabia

Saudi Arabia is one three states to have recognised the Taliban government in Kabul (the other two being Pakistan and the United Arab Emirates). Saudi Arabia has been accused of supporting the Taliban financially and with weapons. The main reason for this support is an urge to counter Iran’s influence in the region.⁸⁴⁶

The Saudi support of the Taliban came to an abrupt end in 1998. After U.S. pressure, Prince Turki, head of Saudi Arabian intelligence, went to Kabul to convince the Taliban to surrender Usama bin Laden to the U.S. The Taliban leader, Mullah Omar reportedly insulted the Prince.

⁸³⁹ U.S. State Department, *Country Report on Narcotics 2000 - Afghanistan, U.S. State Department Bureau of Narcotics Control, accessed from Internet URL: <http://usinfo.state.gov> on 20010213

⁸⁴⁰ Maley, William, *The foreign policy of the Taliban*, Council of Foreign Affairs, New York, 2000, page 28

⁸⁴¹ United State’s Mission to The United Nations, USUN Press release #146 (98), accessed from Internet URL: <http://usinfo.state.gov> on 20010213

⁸⁴² Hyman, Anthony, ‘Afghanistan and rival foreign policies’ in Davidson, Anders and Peter Hjukström (eds), *Afghanistan, aid and the Taliban: Challenges on the eve of the 21st century*, Swedish Committee for Afghanistan, Stockholm, 1999, page 15

⁸⁴³ Mackenzie, Richard, ‘The United States and the Taliban’, in William Maley (edt.), *Fundamentalism reborn? Afghanistan and the Taliban*, Hurst & Company, London, 1998, page 90

⁸⁴⁴ United State’s Mission to The United Nations, USUN Press release #146 (98), accessed from Internet URL: <http://usinfo.state.gov> on 20010213

⁸⁴⁵ Dupree, Nancy Hatch, ‘Afghan Women under the Taliban’, in William Maley (edt.), *Fundamentalism reborn? Afghanistan and the Taliban*, Hurst & Company, London, 1998, page 149

⁸⁴⁶ Rashid, Ahmed, *Taliban - Islam, Oil and the New Great game in Central Asia*, I.B. Tauris Publishers, London, 2000, pages 44-45

While Saudi Arabia subsequently stopped all aid and terminated all diplomatic relations, it did not revoke its recognition of the Taliban government.⁸⁴⁷

The Taliban response

In general, the Taliban have tried to gain recognition from other states by avoiding to be connected to terrorism, drugs and support of insurgency movements. The official Taliban policy towards the other states in the region can be summed up by this statement from the Government of the Islamic Emirate of Afghanistan homepage: "...the Islamic Emirate of Afghanistan wishes to develop and maintain friendly relations with all countries in the region and in the world the Islamic Emirate of Afghanistan has great respect for the sovereignty and territorial integrity of the nations, whether adjacent to or far from Afghanistan".⁸⁴⁸

In response to accusations of supporting and training terrorists, the Taliban has responded, "The Islamic Emirate of Afghanistan has not and will not support acts of violence and terrorism under any name or in any form in any part of the world". Further, the Taliban have stated that "...the Taleban Islamic Movement has put an end to the paramilitary-training activities of foreign groups".⁸⁴⁹ The Taliban has blamed these activities on the Rabbani government. Regarding Usama bin Laden the Taliban has declared "The Islamic Emirate of Afghanistan has moved him to Kandahar to keep him under strict limitations. He is no longer allowed to use Afghan soil to cause harm to any country".⁸⁵⁰

The Taliban has rejected all accusations regarding drugs production. In a statement the Taliban has said, "The Islamic Emirate has made serious efforts to curtail and eliminate poppy and Hashish cultivation and production in areas under its control". However, the Taliban have also claimed that they would need international support to set up a complete ban against poppy cultivation since the farmers needs financial assistance to transform their agriculture from poppy cultivation to other crops. It is also argued that as long as there "exists a lucrative market abroad and as long as the economic situation of the Afghan farmers is such that it provides drug dealers with the opportunity to exploit their poverty, the problem of illicit drug production and trafficking will continue to be a difficult and costly fight for everybody concerned".⁸⁵¹

The Taliban have also expressed concern over Russia's alleged financial and military support to Masood. After the Russian defence minister had met Masood in October 2000, Abdul Hai Mutmaen, a Taliban spokesman said "If the Russians continue their military aid to the opposition, this will have dangerous consequences for them. This will bring about losses to them, we will be compelled to do something also ... (Afghanistan) can create lots of problems

⁸⁴⁷ Rashid, Ahmed, *Taliban - Islam, Oil and the New Great game in Central Asia*, I.B. Tauris Publishers, London, 2000, pages 138-139

⁸⁴⁸ Government of the Islamic Emirate of Afghanistan, 'Search for mutual respect and friendly relations toward all countries', accessed from Internet URL: <http://www.taleban.com> on 20001206

⁸⁴⁹ Government of the Islamic Emirate of Afghanistan, 'The Islamic Emirate is against all forms of terrorism', Federation is trying its best to keep instability in the region and [to justify] their military accessed from Internet URL: <http://www.taleban.com> on 20001120

⁸⁵⁰ Government of the Islamic Emirate of Afghanistan, 'Terrorism', accessed from Internet URL: <http://www.taleban.com> on 20001120

⁸⁵¹ Government of the Islamic Emirate of Afghanistan, 'Efforts to combat production and consumption of illicit drugs', accessed from Internet URL: <http://www.taleban.com> on 20001206

for Russians and give them heavy losses".⁸⁵² Taliban spokesman, Wakil Ahmed Mutawaki, described the Russian claim that the Taliban poses a real threat to Central Asia as "illogical" and he added that he could not understand Russia's concern since Russia and Afghanistan have no common border.⁸⁵³ Furthermore, the Taliban have recognised the Chechens as the legitimate government of Chechnya. Although the Chechen rebels have had an embassy in Kabul, the Taliban denies any further support to the rebels.⁸⁵⁴

In November 2001, after the U.S.-Russian plans to expand the sanctions against the Taliban, Abdul Hakeem Mujahid, the Taliban's representative in New York said "The Russian presence in the newly independent states of Central Asia," and "If the United States supports this Russian conspiracy, it will not be for the benefit of the people of the United States".⁸⁵⁵

The Taliban have also accused the Iranian government of arming and training the United Front and Shiite groups.⁸⁵⁶ In a statement the Taliban said, "Iranian planes in gross violation of all internationally accepted norms intrude our country's air space to airlift supplies to airports controlled by the opposition. The grave consequences of such interferences will rest with Iran which is the enemy of Islam".⁸⁵⁷ After an uprising in Herat, a senior Taleban official, Mullah Amir Khan Muttaqi, accused Iran of arming returning refugees to start the uprising.⁸⁵⁸

⁸⁵² AFP, 'Afghan Taliban threaten Russia after Masood meeting', 20001026, accessed from URL: <http://www.yahoo.com/fullcoverage/afghanistan> on 20001026

⁸⁵³ BBC World Service, 'Pakistan helping Taleban' - Russia', 980811, accessed from Internet URL: <http://www.bbcnews.co.uk> on 20001211

⁸⁵⁴ BBC World Service, 'Taleban warn neighbours', 20000525 accessed from Internet URL: <http://www.bbcnews.co.uk> on 20001214

⁸⁵⁵ Lynch, Colum, 'U.S. and Russia push Afghan Arms Ban' Washington Post, 20001129, accessed from Internet URL: <http://www.washingtonpost.com> on 20001130

⁸⁵⁶ BBC World Service, 'Taleban accuses Iran', 981002, accessed from Internet URL: <http://www.bbcnews.co.uk> on 20001214

⁸⁵⁷ Rashid, Ahmed, *Taliban - Islam, Oil and the New Great game in Central Asia*, I.B. Tauris Publishers, London, 2000, pages 203-204

⁸⁵⁸ O'Toole, Pam, 'Iran 'plotted Afghan uprising'', BBC World Service, 990521, accessed from Internet URL: <http://www.bbcnews.co.uk> on 20001214

ARTICLE No 3

The Security Environment in South Asia By Pål Jonson

The Security Environment in South Asia

This article attempts to provide an overview of the interstate security environment in South Asia in general and the relations between India and Pakistan in particular. Special emphasis will be put on how this relation has evolved after India and Pakistan conducted nuclear tests in 1998.⁸⁵⁹ The focus of the article will be on Indo-Pakistan relations since the degree of tension and the risk of war in South Asia is by far the greatest in this troubled relation. However, the article will also assess how India and Pakistan relate to China, which is the third major actor in South Asia in possession of nuclear weapons. However, since India and Pakistan's foreign policies are a reflection and a product of their domestic political environment the first part of this article will take its departure from India and Pakistan's political life.

India's Political Life

India's political life was for the first 30 years after India's independence from the British colonialism dominated by the Congress Party which ruled India uninterrupted during this era. However, as Congress has lost some of its dominant role in the last 20 years there have emerged many new political parties in Indian politics. The divisions between the parties have increasingly gone along the lines of ethnic, cast and religious adherence which has complicated consensus building and made the decision making process more cumbersome since no party has been able to rule without a political coalition. As a consequence of politics being increasingly divided across ethnic, cast and religious lines, there has also been a drastic increase in Hindu nationalism in India's political life. India's hostile relations with Pakistan have also further instigated the appeal of Hindu nationalism since it has been Hindu nationalist parties that traditionally voiced the most severe criticism of Pakistan. Yet, India has over 140 million Muslims within its borders and relations between Hindus and Muslims have at times been strained.⁸⁶⁰ The large Muslim community in India has at times forced India to exercise restraint in its harsh foreign policy vis-à-vis Pakistan in order to assure that this community does not engage in riots or insurgencies.

The rise of Hindu nationalism in India's political life was manifested in 1998 when the Bharatya Janata Party (BJP) won the national elections and Atal Bihari Vajpayee became Prime Minister. BJP's election manifesto included strong emphasis on Hindu nationalism and the election manifesto on foreign policy was for example entitled "Nationalism is Cornerstone of BJP's Foreign Policy".⁸⁶¹ The programme also stated that India faced unprecedented challenges to its national security caused by the rapid increase in military capability among its neighbors Pakistan and China and by the rise in domestic insurgencies.⁸⁶² The BJP

⁸⁵⁹ The Swedish Defence Research Establishment (FOA) produced a comprehensive report immediately after the nuclear tests conducted by India and Pakistan in 1998. This report provides a solid overview of the relations between India and Pakistan before the 1998 nuclear tests. See Arbman Gunnar, et al, *Indien och Pakistan: Nygamla kärnvapenstater* [India and Pakistan: New and old nuclear weapon states], FOA-R--98-00812-865—SE. FOA merged with the Aeronautical Research Institute (FFA) on 1 January 2001 and was renamed Swedish Defence Research Agency (FOI).

⁸⁶⁰ However, it should be noted that the Muslim community has a long history of timid appearance in Indian politics and the degree of interethnic violence has been relatively low. An important reason for this development can be attributed to the strong Sufi-tradition among the Muslims in India.

⁸⁶¹ See BJP: Policy on Major Issues; <http://www.bjp.org/major/fpoll-sm.html>.

⁸⁶² BJP Election Manifesto 1998 – Our National Security.

government declared that it would give the security forces free hands to deal with insurgencies and terrorism once it would be in government.⁸⁶³

The BJP government has undoubtedly chosen to conduct a more confrontational foreign policy vis-à-vis Pakistan since it gained power in 1998. As Hindu nationalism plays an intrinsic part in BJP's foreign policy it has made it increasingly more difficult for the government to reconcile with Pakistan. Firstly, because the rhetoric of the BJP has become harsher which removes windows of opportunities to co-operate. Secondly, because Pakistan perceives it as more difficult to make any political settlements with India as along as Islamabad perceives that there is an "anti-Muslim" government in power in New Delhi.

Pakistan's Political Life

The political life in Pakistan is clearly much more unstable than in India. While the actors in India's political life largely have operated within the framework of the Indian constitution, Pakistan's political life has included political murders, large-scale corruption and military interventions. Pakistan has since its partition from India in 1948 experienced four wars and four military coups. While Pakistan used to be described as a democracy the political power has been concentrated to an elite consisting of a few families such as the Bhuttos and the Sharifs who have controlled the two major political parties.⁸⁶⁴ There have been accusations by independent political commentators of considerable level of corruption in most parties including the Pakistan People's Party and the Pakistan Muslim League. These parties have been in power for the last 30 years except when the Pakistani Army was in control from 1977 to 1985.⁸⁶⁵

On 12 October 1999, the Pakistani Army overturned President Nawaz Sharif's civilian government in a military coup. This was the fourth coup in Pakistan's 52-year history. A decisive reason for the coup was a growing domestic discontent over the Sharif governments inability to reduce corruption and reform the economy. The discontent was further instigated by Sharif's secret negotiation with Prime Minister Vajpayee during the Kargil conflict and his agreement to sign the Joint Statement in Washington, which called off the Kargil operation. This severely undermined President Sharif's position in Pakistan since it was perceived especially among the Islamic fundamentalists that he had "sold out" the Kashmiri independence movement. President Sharif was also charged with espionage on behalf of India. As a consequence Army Chief of Staff General Pervez Musharraf was selected as the new political leader and he appointed himself president in June 2001.

Compared to India, Pakistan is a relatively homogeneous country when it comes to religious adherence since over 97 per cent are Muslims.⁸⁶⁶ Religion has, contrary to the situation in India, therefore to a certain degree been a uniting rather than a dividing factor in Pakistan's

⁸⁶³ India has been bothered by internal security problems since its independence in 1947. These internal security problems have been most troublesome in India's border regions such as Punjab, Kashmir, Manipur, Nagaland, Tripura, Arunachal Pradesh, Darjeeling and Assam where violent demonstrations and riots have flared up with different levels of intensity throughout the last 50 years. These insurgencies often have popular support from their religious communities either because they are perceived as a legitimate cause or because the members of the religious community fear dangerous consequences if they do not support the insurgency movement.

⁸⁶⁴ *Strategic Assessment 1999*, p. 147.

⁸⁶⁵ *Ibid.* p. 148.

⁸⁶⁶ 77 percent Sunni and 22 per cent Shia, *CIA World Fact Book 2000*.

political life. There have, however, been violent clashes between Shia and Sunni Muslims and the degree of Islamisation fluctuates across the political spectrum in Pakistan's political life.⁸⁶⁷

Another important uniting factor in Pakistan's political life is a strong animosity against India. This identity has enjoyed strong public support. India is perceived as the only decisive threat against Pakistan's national security and the limited public debate contains sentiments of fierce criticism against India. This identity has certainly made the relations with India even more agitated.

Pakistan has been bothered by continued domestic unrest. The Islamic political parties have, even though they have never had any success in parliamentary elections, been able to organise street demonstrations and provoked sectarian violence when they have been discontent with the government in Islamabad. It is indicative that Karachi, which is Pakistan's biggest city and its financial centre, also had the world's highest crime rate in 1998.⁸⁶⁸ The root of this unrest comes largely from the tension that is caused by clashes between different groups in Pakistan's society such as the post partition immigrants, the native population and sectarian criminal organisations and Islamic fundamentalists. Tribal chiefs control most of the Northwest Frontiers where pro-Taliban organisations also operate. There is practically no government rule in this region. Some Pakistanis especially in the Northwest perceive the Taliban rule in Afghanistan as a success since it has reduced crime, ended corruption and politically unified most parts of the country. It is indicative that the Saudi terrorist Osama bin Laden enjoys strong public support in this region.⁸⁶⁹

India's and Pakistan's Relations with China

As an international actor, China is normally defined as an East Asian actor rather than South Asian actor, since it is economically and politically predominantly oriented toward East Asia. However, China also has economic and military interests in the South Asia region. Tibet, which is on the border to what is normally defined as South Asia, is administrated by Beijing since the Chinese invasion 1951, and is said to be rich in natural resources such as oil and gas. China also has border disputes with India along their 3,800 km long common border. Consequently, a coherent analysis of the security environment in South Asia cannot ignore the important role that China plays in Indo-Pakistani relations.

China maintains a solid military presence in South Asia. It is estimated that China has 17 infantry divisions in Tibet and it has gradually improved its military infrastructure by enhancing roads, communications and pipelines.⁸⁷⁰ China also has nuclear weapons in the region. In 1987, which is the latest available figure, it was estimated that China maintained 90

⁸⁶⁷ Even though Pakistan enjoys some prestige in the Arab world for its nuclear program owing to its symbolism as the "Islamic bomb" this "pro-Islamic" identity has been met with limited endorsement from the Islamic countries in the Middle East. The level of cordiality in Pakistan's relations with the Arab Muslim countries has been surprisingly low.

⁸⁶⁸ *Strategic Assessment 1999*, p. 147.

⁸⁶⁹ *Ibid.* p. 148.

⁸⁷⁰ Arbman Gunnar et al, *Indien och Pakistan: Nygamla kärnvapenstater* [India and Pakistan: New and old nuclear weapon states], FOA-R--98-00812-865--SE, p. 49.

of its 350 strong nuclear missile force in Tibet.⁸⁷¹ The Chinese air force bases in Tibet have also been expanded in order to enhance their ability to be used by heavy bombers. Most of these bombers have a range of approximately 2,000 km, which allows them to reach the most significant targets on the South Asian subcontinent. But, it is not only along the common border with India and Pakistan that China has augmented its military presence in South Asia. China has also increased its naval presence in the Indian Ocean by expanding its maritime cooperation with Myanmar. It has also exported military equipment and maintained close diplomatic relations with Rangoon. India sees this development as a direct threat to its control over the Andaman Islands in the Bay of Bengal.

Sino-Indian relations must be seen in a historical perspective in order to understand why the two countries have had strained and sometimes hostile diplomatic relations. Despite the fact that India was one of the first countries in the world to recognise the new communist regime in Beijing 1949, the relations between China and India have been characterised by friction and hostility. One of the first causes for the tension between India and China derived from India's decision to permit the Dalai Lama, who had fled from Chinese repression in Tibet, to set up a government-in-exile in India in 1959. There has also been considerable disagreement between China and India over the exact position of the common border between the countries. The so-called MacMahon-line from 1914 has been the foundation for this disputed border even though China never recognized it. Chinese forces therefore crossed the border and invaded parts of the Indian territory in the North East in 1962 in order to establish a new border that was more favourable to Chinese interests. The Indian forces in the region provided little resistance to the invading force and the episode was considered as a great humiliation to India's national pride.

The introduction of nuclear weapons to South Asia has also had an important impact in worsening the strained diplomatic relations between India and China. China tested its first nuclear device in 1964, which prompted great concern in New Delhi. India then countered by initiating its own nuclear programme the year after and conducted its first test in 1974. However, in the mid 1980s New Delhi decided to reorient its China policy from confrontation to engagement in order to manage its difficult diplomatic relations with Beijing and also to revert the nuclear spiral that India and China was engaged in at the time. In 1988 a permanent committee was established in order to find a common solution to the disputed border between India and China. This process generated the *Agreement on the Maintenance of Peace and Tranquillity* between India and China that was signed in 1993. The agreement includes confidence and security building measures such as an agreement to disagree on the Line of Actual Control; a reduction in the military presence in the border region and limits to exercises along the border.

The Agreement on Maintenance of Peace and Tranquillity was followed by an agreement on further military confidence building measures between the two countries in 1996, which included exchange of data on military capabilities within the border region; prohibition against the use of explosions, the use of dangerous chemicals and artillery fire within two km of the border and constraints on the use of combat aircraft within 10 km on each side of the common border. Both actors have generally respected these agreements and the military sensitivity along the common border has been reduced as a consequence. Yet, despite these

⁸⁷¹ Kumar Satish, "Nuclearisation of Tibetan Plateau and its Implications for India", Centre for Policy Research, 13 March 2001.

agreements the diplomatic relations between India and China's have remained entangled in difficulties. The Indian policy of diplomatic engagement received less and less support in India over time and especially the BJP claimed that this policy of diplomatic engagement was doing nothing to advance India's interests especially since China's response to India's diplomatic engagement policy was unenthusiastic and China expressed no sincere interest in enhancing Sino-Indian relations. The BJP-led government therefore adopted a more confrontational foreign policy toward China in 1998, which included a harsher diplomatic tone against China and less diplomatic attention devoted to the common Sino-Indian permanent committee on confidence building measures between the two countries.⁸⁷² The climax of this deterioration in relations came when India conducted nuclear tests in 1998 and partly justified these tests by the need to maintain a credible nuclear deterrence against China. This led China to completely freeze its diplomatic relations with India.⁸⁷³ The Sino-Indian relations have remained cold and hostile since the nuclear tests in 1998.

Most advocates of an expanded and enhanced Indian nuclear arsenal tend to justify such a position based on the need to counter the Chinese nuclear threat rather than to deter any threat that Pakistan's nuclear resources might pose to India. As previously noted, the BJP government did claim that it needed to conduct the nuclear tests 1998 in order to counter the expanding Chinese nuclear arsenal.⁸⁷⁴ However, outside observers tend to be sceptical about Indian claims in this regard. According to some Western analysts India's nuclear tests were a result of a deep-seated rivalry with China that goes beyond perceptions of security threats *per se*.⁸⁷⁵ Emphasising China and portraying Pakistan as only of marginal relevance has advantages for New Delhi's foreign policy objectives. India is an eagerly aspiring great power and by describing China as its main security threat, it places India in the same great power league as China.

China, on the other hand, has not given any indication that its current nuclear and missile development is being conducted with India in mind.⁸⁷⁶ Nor has China expressed that it views India as a threat to its national security.⁸⁷⁷ Consequently, it seems as if China tries to downgrade India's importance and nuclear capability, which has been described as an example of a "great power status denial". However, China has indeed increased its military presence in South Asia but this increase is a consequence of augmented Chinese defense expenditures over all, where the increase in the South Asia region is, in relative terms, not larger than in China's other military districts. Furthermore, the current Sino-Indian border is favorable to China's preference and it is difficult to foresee that China would be tempted to engage in a military escapade in order to expand its territory at the expense of India.

The relations between China and Pakistan have, contrary to the Sino-Indian relation, largely been co-operative and friendly. Both countries have expressed understanding of each other's

⁸⁷² Synnott Hilary, "The Causes and Consequences of South Asia's Nuclear Tests", *Adelphi Paper*, No 332, The Institute for International Strategic Studies (IISS), 1999, p. 16.

⁸⁷³ However, the provisions of the confidence and security building measures are still maintained on the local military commander level.

⁸⁷⁴ See for example Indian Defence Minister George Fernandes' article in *Hindustan Times* on 3 May 1998 where he claims that Chinese military and naval activity had begun to encircle India and that China was India's potential threat number one.

⁸⁷⁵ Synnott Hilary, "The Causes and Consequences of South Asia's Nuclear Tests", p.18.

⁸⁷⁶ *Ibid.* p. 14.

⁸⁷⁷ Abanti Bhattacharya, "Scope for Promotion of Sino-Indian Relations", Centre For Policy Research, No: 548 23 August 2001.

foreign policy objectives and adhered to the principle of non-intervention into each other's internal affairs and respect for each other's territorial integrity. China gave its political support to Pakistan during the Indo-Pakistan wars in 1965 and 1971 and has also encouraged Pakistan in its struggle to receive international recognition for its demand for a plebiscite in Indian Kashmir. Pakistan, on the other hand, has voiced support for China's advocacy of a multipolar world.

China has also exported nuclear and missile technology to Pakistan. According to some analysts Pakistan would not have had access to missiles, nor nuclear capability or even enriched uranium if it hadn't been for Chinese assistance.⁸⁷⁸ In 1976 Pakistan reached an agreement with China for the development of nuclear technology. New Delhi perceived this agreement as an overt threat to India's national security. It is indicative for China's South Asia nuclear policy that it strongly condemned India's nuclear tests in 1998 but expressed understanding for Pakistan's decision to conduct nuclear tests. China has also exported delivery systems to Pakistan's nuclear programme. The missiles M-11 and the Hatf-4 were developed by comprehensive technical assistance from China. This co-operation was done in violation of the Missile Technology Control Regime (MTCR), which China is a signatory of. The United States has therefore on occasions imposed economic sanctions on China and Pakistan but without any apparent success in curbing the proliferation of missile technology from China.

It appears that the favourable Sino-Pakistan relations are based on pragmatic politics rather than on shared political values. There are few common denominators between the two countries besides their hostile relations with India and their concern over India's expanding great power ambitions. Thus it is reasonable to assume that the cordiality of this relation will fluctuate depending on how Pakistan and China's relations with India develop. China and Pakistan view their close relations as means to balance India in the regional balance of power in South Asia. China is aware of the fact that its active military support to Pakistan forces India to devote more military resources to its western border. Consequently, India has less military resources to devote to its common border with China.

Despite the fact that China has given technological and military assistance to Pakistan the relation has never evolved into a formal military alliance between the two countries. Such an alliance would undoubtedly have negative strategic implications for India's security environment since India would be militarily encircled by two hostile states on the South Asian subcontinent. Yet, it is unlikely that the Sino-Pakistan relation would develop into such an alliance. There does not seem to be any Chinese interest in giving collective defense guarantees to Pakistan since this could increase Pakistan's propensity to engage in warfare against India. During the Kargil conflict, for example, China was insisting that Pakistan would end its support to the militants that infiltrated the Indian side of the Line of Control (LoC) because China was worried that the conflict would escalate into a nuclear war. Given the fact that China perceives a conflict between India and Pakistan as destabilising for its own security interests, it appears unlikely that China at least initially would be interested in supporting any military campaign that Pakistan would engage in against India. Consequently, even though China has increased its military presence in South Asia, it is unlikely that it would be tempted to initiate any military operations against other countries in South Asia. China has more

⁸⁷⁸ Kock Christian, "China and Regional Security in South Asia", in *The Balance of Power in South Asia*, Garnet Publishing Ltd, Reading, 2000. p. 84.

urgent security interests elsewhere such as in the South China Sea and in the Taiwan Strait and any Chinese military engagement on the South Asian subcontinent would probably compromise China's interests in other parts of Asia.

Relations between India and Pakistan

The antagonism between India and Pakistan resulted from the partition of British-ruled India in 1947 and has continued since. The partition between India and Pakistan followed as a consequence of demands from the Muslim minority to obtain a separate homeland. Yet, this partition was bitterly resented by many in India and even after the partition more Muslims remained in India than in Pakistan. This dissatisfaction transformed into violence when millions of Muslims fled over the border to Pakistan and close to one million people died as a consequence of the political violence that followed.

The tension from the partition resulted in a war between India and Pakistan in 1965. Pakistan was also angered by India's open support for the Bengali revolt against East Pakistan which led to the creation of Bangladesh in 1971 after intense fighting in Kashmir and East Bengal and the ultimate defeat of the Pakistani Army.⁸⁷⁹ The same year an unstable Line of Control (LoC) between India and Pakistan was established which is still observed by a United Nations mission (UNMOGIP).⁸⁸⁰ In 1972 the countries also signed the Shimla Agreement, which provided measures to ease tension around Kashmir, enhance trade, expand communications and increase business and travel. Yet, neither side has implemented most of these agreements.

First and foremost, the tension between India and Pakistan has been caused by Pakistan's opposition to New Delhi's rule over the predominantly Muslim state of Jammu and Kashmir. For Pakistan, this conflict over the destiny of Kashmir has come to represent a national and Islamic obligation to Muslims at large.⁸⁸¹ In 1989 renewed hostility arose when Pakistan intensified its support to the militants in Kashmir and civil disorder increased in the state. India countered this development by drastically increasing its military presence in Kashmir.⁸⁸² Pakistan accuses the Indian forces based in Kashmir of engaging in grave human rights violations and claims that over 60,000 Kashmiris have died as a consequence of India's military presence in Kashmir.⁸⁸³ Pakistan has demanded international mediation over the status of Kashmir. India has consistently rejected this idea. India further argues that the people of Kashmir can have free elections but they cannot demand separation from India.⁸⁸⁴

Islamabad claims that it is giving the militant insurgency in Kashmir "moral support". There are also compelling evidence for the fact that Pakistan has continued to militarily support the militant insurgency in Kashmir. The Pakistani intelligence agency Inter Service Intelligence

⁸⁷⁹ Ibid. p. 140.

⁸⁸⁰ However, UNMOGIP was first deployed in the region in 1949 to monitor the cease-fire line between India and Pakistan that derived from the so-called Karachi Agreement.

⁸⁸¹ Kreisberg Paul, "South Asia: Nuclear Geopolitics" in *Strategic Assessment: Priorities for a Turbulent World*, U.S. Government Printing Office, Washington DC, 1999, p. 140.

⁸⁸² *Strategic Assessment 1999*, 146.

⁸⁸³ It is difficult to obtain an accurate figure for how many Kashmiris that have died as a consequence of the conflict. Most independent sources estimate that figure is slightly below 40,000 people (*The Economist*, 3 June 2000.p. 64.).

⁸⁸⁴ Ibid. p. 141.

(ISI) is believed to have close to 100 camps that are used for training militant terrorist organisations on Pakistan's side of the LoC in Kashmir. ISI is also spending approximately USD 200 million a year on supporting insurgency in Kashmir with training and equipment to the militants.⁸⁸⁵

Pakistan is paying a high political price for this policy since it undermines its relations with India. It also undermines Pakistan's relations with the United States, which on several occasions has expressed its discontent over Pakistan's continued support for terrorism. Yet, Pakistan has maintained this policy and it seems that this objective is based on the classical strategic principle of "victory by thousand cuts". By supporting the militants Pakistan assures that India is forced to tie up a large part of its military resources to maintain domestic order. Consequently, India's armed forces have fewer resources to devote to other military activities that could possibly be directed against Pakistan. Furthermore, the terrorist attacks in Kashmir undermine India's control over the region and might make India more inclined to find some kind of diplomatic solution to curb the terrorist attacks in Kashmir

Relations between India and Pakistan After the 1998 Nuclear Tests

In May 1998 the world was by and large caught by surprise by the nuclear tests that India and Pakistan conducted despite the fact that the 1998 BJP election manifesto clearly stated that the BJP perceived it as necessary for India to retain the right to conduct nuclear tests. The tests were met by international outrage and several countries imposed economic sanctions on India and Pakistan after the tests.

There has been an intense debate about whether the nuclear tests were going to stabilise or deteriorate the relations between the two countries. According to some neo-realist representatives of the strategic community in both countries, these tests were actually going to produce a certain degree of stability and enhanced the prospect for peaceful relations between India and Pakistan since overt nuclear capabilities would be the "great equalizer" between India and Pakistan. The countries would thereby have to disengage from their low-intensity warfare in Kashmir and devote more attention to establish closer and more solid diplomatic relations to avoid the risk of nuclear war. Yet, in hindsight, the relations between India and Pakistan have deteriorated and been characterised by instability and turbulence during the three years that has passed since the nuclear tests, whereby the countries went from the ambiguous non-weaponized nuclear states to overt nuclear states. The main reason for the increased difficulties in the Indo-Pakistan relations after the nuclear tests in 1998 seems to be the accentuated Hindu-nationalistic message in Indian foreign policy by the BJP government in combination with

The Lahore Agreement

Relations after the May 1998 nuclear tests got off at a good start when Prime Minister Vajpayee made a bold visit to Lahore in Pakistan in February 1999, at the symbolic venue where the founding fathers of Pakistan in 1947 had proclaimed that the Muslim minority in

⁸⁸⁵ Chalk Peter, "Pakistan's Role in the Kashmir Insurgency", *Jane's Intelligence Review*, Volume 13, Number 9, September 2001. p. 27

India needed their own homeland on the subcontinent. This was the first time an Indian Prime Minister had made the cross-border trip to Pakistan with the newly inaugurated bus service between India and Pakistan. The meeting generated the so-called Lahore Agreement with a memorandum of understanding, which included confidence building measures such as advanced notification of ballistic missile tests; notification of accidental or unauthorised use of nuclear weapons; agreement to prevent incidents at sea; co-operation in information technology in general and problems of Y2K in particular; consultations on liberalizing visa and travel regimes and creation of a committee to resolve issues relating to missing POWs and civilian detainees.

Yet, as a consequence of the events that followed the agreement, the Lahore Agreement, just as the Shimla Agreement, has been repudiated by Islamabad and the countries did not maintain a high level political dialogue until the meetings between President Musharraf and Prime Minister Vajpayee in June 2001.

The first breach of the Lahore spirit was India's test firing of the *Agni two* ballistic missile in April 1999, which was quickly countered by Pakistan's test of the *Ghauri 2* ballistic missile.⁸⁸⁶ The test of the *Agni 2* missile was seen as a victory for the authorities in charge of developing India's national defence over several representatives of the political community which had argued that India should exercise restraint in the development of missile technology out of consideration for opposition from the United States and other countries. The BJP government claimed that the *Agni 2* tests were indispensable for India's nuclear deterrence capability and the party had also expressed the need to develop the *Agni 2* missile in its election manifesto for the national elections in 1998. This had built up domestic expectations for India to proceed with the tests once the BJP government was installed. The fact that the test was conducted while Li Peng, the Chairman of China's People's Standing Committee, was visiting Pakistan was interpreted as a political message from India.⁸⁸⁷ The missile test was the starting point of a series of events that drastically deteriorated the relations between India and Pakistan. The most serious event was the Kargil conflict, which brought the two countries to the verge of a nuclear war.

⁸⁸⁶ The development and test of the Angi 2 missile was perceived as a great success for India's defence community. The missile is equipped with the latest global positioning system (GPS) and can be launched from mobile platforms.

⁸⁸⁷ *Asian Security 1999-2000*, Research Institute for Peace and Security, RP Printing: Kawasaki, 1999. p. 152.

The Kargil Conflict

Relations between India and Pakistan drastically deteriorated when the Indian Army encountered a massive presence of over 2,000 Muslim militants on the Indian side of the LoC in Kashmir near the town of Kargil in May 1999. The militants were gathered on a position 4,500 meters above the sea and had the ability to cut off the only road between the residential capital Srinagar and Leh. At the height of the intrusion nearly 400 sq. km were under the control of the militants. It was widely perceived that the intrusion could lead India to loose control over the Siachen Glacier and that Pakistan would try to invade the area in order to have a bargaining chip for negotiations over Kashmir.⁸⁸⁸ It seems likely that the Pakistani authorities made the miscalculation that India would refrain from using a massive amount of force against the infiltrators in Kargil. The Indian Air Force had for example not been used in the region since the 1972 war. If India had restrained itself and refrained from conducting air strikes and only conducted the operation with the use of ground forces, is likely that the outcome of the operation had been favourable to Pakistan's intentions and interests.

Yet, India did act rather swiftly once it had grasped the magnitude of the infiltration. Initially, the Indian Air Force conducted air strikes against the militants' bases but with limited success since these bases were located in the mountains. New Delhi then escalated the military presence in the region and mobilised several infantry divisions. These divisions received close air support from the Indian Air Force and were thereby able to defeat several of the militants' strongholds.

The militants seemed to be fully backed by the Pakistani intelligence agency ISI and the Pakistani Army in order to conduct the operation in Kargil. The firing between Pakistani and Indian border patrol forces also escalated during the conflict. The bodies of soldiers with Pakistani army uniforms were also found on the Indian side of the LoC. Pakistan's former President Farooq Leghari said that the Pakistani Army supported and participated in the Kargil conflict and that it was done at the behest of Nawaz Sharif.⁸⁸⁹ As Chief of the Army General Musharraf must also have played a central role in co-ordinating and organising the support for the militants participating in the insurgency in the mountains around Kargil. The Subramanyam Committee Report, which evaluated the Indian military performance in the Kargil conflict, also claims that President Sharif was well aware of the intrusion plan into Kargil during his meeting with Vajpayee in Lahore a few months earlier. This fact has drastically undermined India's willingness to engage in further political dialogue with Pakistan since the Kargil conflict was seen as a betrayal of the Lahore spirit.

The nuclear dimension of the Kargil conflict became apparent when Pakistan's Foreign Secretary Shamshad Ahmed complicated the sensitive situation even further on the 31 May 1999 by saying that "Pakistan will not hesitate to use any weapons in its arsenal" if the Indian forces are found to be operating on Pakistan's side of the border.⁸⁹⁰ This was an implicit threat of a nuclear retaliation if India would cross the LoC during its military campaign against the infiltrators in Kargil. On 2 June Pakistan announced that it would equip its warships with nuclear weapons in order to be able to respond to any threat that the Indian forces might pose to the territorial integrity of Pakistan. Pakistan also moved two brigades of troops closer to the

⁸⁸⁸ *Turbulence and Conflicts in South Asia*, p. 224.

⁸⁸⁹ *Ibid.* p. 430.

⁸⁹⁰ Bajpaj, Kanti, *Kargil and After Challenges for Indian Policy*, p. 424.

border. India did adhere to the principle of not crossing the LoC throughout its military campaign. Pakistan claimed that the Indian Air Force on a few occasions did enter Pakistan's air space but it did not conduct any military operations on the Pakistani side of the LoC.

But there was also the risk of other weapons of mass destruction than nuclear being used during the Kargil conflict. During the seizure of a militant stronghold in Kargil, the Indian Army claimed that it had discovered Pakistani documents indicating the presence of chemical weapons in the Kaksar area in Kashmir.⁸⁹¹ However, the subsequent search mission that the Indian Army conducted in the area did not find any substantial evidence of the presence of chemical weapons.

Pakistan was not the only actor considering the use of nuclear weapons in case of an escalation of the Kargil conflict. There were several actors within the Indian political system who would have preferred to see India escalating the conflict to include nuclear weapons. The coalition party Sangh Parivar in New Delhi differed with BJP over the handling of the Kargil conflict and advocated that India "should teach Pakistan a lesson" by using nuclear weapons against Pakistan.⁸⁹² However, the statement by Sangh Parivar did not specify aspects such as targeting and destruction-level. Also the radical Hindu nationalist party Shiv Sena expressed similar sentiments. Yet, the BJP government ruled out the option that India would use nuclear weapons early during the Kargil conflict. The Indian National Security Advisor Brajesh Mishra officially stated that India would not be the first to use nuclear weapons against anyone.⁸⁹³ This statement concurs with the draft for nuclear doctrine that the Board of National Security has published which clearly states that India's nuclear arsenal is intended only for defensive purposes and will only be used as retaliation against a nuclear attack on India.

Yet, the very risk that the Kargil conflict could escalate into a nuclear conflict led President Bill Clinton to invite Prime Minister Vajpayee and President Sharif to Washington in order to find a solution to the conflict. While Vajpayee declined the invitation since Indian forces were doing rapid advancements and Vajpayee did not want to lose the momentum in the operation, Sharif went to Washington. The Clinton-Sharif talks resulted in a Joint Statement according to which Pakistan promised to call for a withdrawal of all the militants and respect the LoC in accordance with the Shimla Agreement from 1972. A cease-fire would come into effect after the troops were pulled out. By the 29 July Lt. General N.C. Vij announced that all intruders on the Indian side of Kashmir had left the area. Upon return to Pakistan, Sharif encountered harsh criticism for the agreement reached in Washington, which was seen as a betrayal of the Kashmiri independence movement. Sharif's approval of the Joint Statement severely undermined his position in Pakistan's political system and was probably one of the most important factors that contributed to the military coup that removed Sharif from power in October 1999.

Lessons Learned from the Kargil Conflict

It seems as if the lesson learned from the Kargil conflict is that it is possible to conduct a limited proxy war even under the shadow of nuclear weapons. The Kargil conflict indicated

⁸⁹¹ Ibid. p. 430.

⁸⁹² Ibid. p. 427.

⁸⁹³ Ibid. p. 429.

that conventional wars between nuclear states not necessarily are bound to escalate into nuclear war if both sides show that they under certain conditions are willing to restrain themselves only to the use of conventional forces. Thus there are some limitations to what kind of proxy war that can be conducted under these circumstances, in order to assure that the conflict does not escalate into a nuclear war. Firstly, it is necessary that the actors exercise constraint during the conflict and show that they do not have intentions of escalating the conflict further. India did for example not at any time during the conflict cross the LoC even though it would have been tactically advantageous to do so. By crossing the LoC, India could have isolated the militants in Kargil from their logistic support in Pakistan. This was probably the best guarantee to assure that the Kargil conflict did not escalate into a nuclear war between India and Pakistan.

Secondly, it is necessary that the actors involved do not get caught in a spiral of declaring nuclear threats against each other. India's assurances that it did not consider initiating the use of nuclear weapons during the Kargil conflict was a stabilising factor during the conflict. Consequently, Pakistan did not have to consider engaging in some kind of pre-emptive strike against India in order to ensure the survival of its own nuclear arsenal.

Neither India nor Pakistan has ruled out the risks of further proxy wars in the future. Both actors have increased their military presence in Kashmir after the conflict. India has also drastically increased its defence expenditures as a consequence of the experiences from the Kargil conflict.⁸⁹⁴ India's enhanced superiority of conventional forces assures India that it does not automatically have to resort to nuclear threats in the case of a conflict with Pakistan since there is a high conventional threshold before nuclear weapons have to be used in to a conflict. Some analysts even claim that even if Pakistan would have engaged in a first-strike against India during the Kargil conflict, India could still have continued to fight and win the war without responding in kind because of its superior conventional forces.⁸⁹⁵

Soon after the Kargil conflict former Defence Minister Fernandes presented a "Limited War Doctrine" which states the conditions under which it is possible to conduct a limited military conflict under the shadow of nuclear weapons.⁸⁹⁶ Fernandes reached the conclusion that the possession of nuclear weapons only deters the use of such weapons and that the field remains free for conventional conflicts. General VP Malik, Chief of the Army Staff and Commander of the Indian Army during the Kargil conflict, added operational military credence to this statement by claiming that he could not foresee that the Indian forces would restrain themselves from crossing the LoC in a future conflict of the same character as the Kargil conflict.⁸⁹⁷ This indicates that at least parts of the Indian establishment perceives it as possible to push the limits further to what kinds of wars that are possible to conduct in the shadow of nuclear weapons. It is therefore possible that a potential future conflict between India and Pakistan would not include the same elements of constraint that were associated with the Kargil conflict.

⁸⁹⁴ The Subramanyan Report was very critical of the performance of the Indian Army and its intelligence branch before and during the conflict since the infiltration of 2,000 militants could be undertaken without any detection.

⁸⁹⁵ Sethi Manpreet, "Dangers From Weapons of Mass Destruction in South Asia?", *Strategic Analysis*, February 2001, p. 1999.

⁸⁹⁶ C. Rajamohan, "Fernandes Unveils Limited War Doctrine", *The Hindu*, 25 January 2000, p. 1.

⁸⁹⁷ Pant N.K, "Prospects of a Limited War in South Asia", Centre for Policy Research, Article No: 320, 2000.

The Hijacking of Flight IC 814

The hijacking of Indian Airline flight IC 814 with 187 passengers on a flight from Katmandu to New Delhi on 24 December 1999 is another incident, which has added to the deterioration of Indo-Pakistani relations and put the countries on the brink of a new war.

Indian authorities claim that it was Pakistan's intelligence agency ISI that masterminded the hijacking of IC 814 that killed an Indian citizen, forced India to release the notorious militant leader Azhar Masood and left the hijackers free to fly to a military base in Zhob, Pakistan. Masood later appeared on Pakistani television in a press conference claiming that the militant activities in Kashmir would be intensified. India's Defence Minister George Fernandes demanded that Pakistan extradite the hijackers. Fernandes also stated that India did not rule out any means of convincing Pakistan about India's determination to arrest the hijackers. The fact that Pakistan possesses nuclear weapons did not rule out the possibility of a limited conventional war according to Fernandes.⁸⁹⁸ Pakistan replied that it had nothing to do with the hijacking and had no intentions of extraditing the hijackers since the government had no intelligence on where the hijackers were.

The BJP received severe domestic criticism for its handling of the hijacking of flight IC 814 from more radical political parties of its own coalition government. The critics claimed that the compromise the government made with the hijackers would demoralise the Indian armed forces, increase military activities in Kashmir and increase the likelihood that terrorists will undertake similar actions in the future against Indian citizens.

⁸⁹⁸ Ibid. p. 436.

11 September 2001 and its Implications for Indo-Pakistani Relations

Two days after the acts of terror that took place in New York and Washington on 11 September 2001 the Bush Administration announced that it had identified Osama bin Laden and his terrorist network Al Qaeda as the prime suspects for the events. The administration also declared that it had adopted a new anti-terrorist policy whereby it would no longer make a distinction between terrorist organisations and countries that support and harbour terrorists.

This caused an immediate predicament for Pakistan since Islamabad has actively supported the Taliban, who harbour Osama bin Laden and his network Al Qaeda. The Pakistani intelligence agency ISI has provided Al Qaeda with training and equipment. Washington declared at an early stage that it expected Islamabad to fully co-operate with the USA in capturing Osama bin Laden.

It has always been in Pakistan's interest to maintain close relations with Afghanistan since it has a 2,430-km long border with the country. Pakistan supported the Mujaheddin in their struggle during the Soviet invasion of Afghanistan in the 1980s. In the mid 1990s the Taliban were able to gain control of approximately 90 per cent of Afghanistan. It was thus politically advantageous for Islamabad to maintain close relations with the Taliban. Consequently, Pakistan did, as only one of three countries, establish formal diplomatic relations with the Taliban government. However, Pakistan's support for the Taliban should also be seen as a consequence of the deepening islamisation that the Pakistani society has undergone the last three years. As a result of this islamisation the support for the Taliban has grown stronger especially among the Pashtuns in the northern parts of Pakistan and among the lower ranks of the Army. Thus, close relations with the Taliban have been a source for domestic political support among the Islamic fundamentalists for the Musharraf regime. This has probably been important for the Musharraf regime given the fact that it is perceived to represent a rather secular branch of Pakistan's political life.

The events following September 11 have led to a complete reorientation of Pakistan's approach to the Taliban in general and the Al Qaeda in particular. Within a few days the Musharraf regime was forced to give up a policy that intended to support and strengthen the Taliban in favour of a policy that actively supports the U.S.-led military campaign against the Taliban and the Al Qaeda by providing military logistics and access to air bases for the U.S. The primary reason for this reorientation is a result of the carrot and stick policy of the United States. Pakistan would have risked military retaliation if it did not co-operate with the United States since the United States would have claimed that Pakistan collaborates with terrorists. However, Pakistan was also given an economic incentive to co-operate since the Bush Administration pledged that the United States would withdraw the economic sanctions that were imposed on Pakistan because of the nuclear tests that Pakistan conducted in 1998.⁸⁹⁹

Yet, Islamabad's new policy toward the Taliban has undermined the military regime's domestic support.⁹⁰⁰ Over two thirds of the population oppose Pakistan's collaboration with the United States and several anti-American demonstrations and riots predominantly

⁸⁹⁹ It is interesting to note how bluntly Musharraf has admitted that Pakistan has deserted the Taliban. See for example "We had to ditch the Taleban because we wanted to corner India" in *India Daily*, 19 September 2001.

⁹⁰⁰ "Musharraf Tries to Calm Vocal Islamic Opponents", *International Herald Tribune*, 20 September 2001.

organised by the vocal Islamic fundamentalists have taken place in Pakistan.⁹⁰¹ Some fundamentalist organisations have even imposed a *Fatwa* on Musharraf. Musharraf has also claimed that Pakistan's intelligence service ISI was conspiring against him even before 11 September.⁹⁰² Consequently, some sort of collapse of or coup against the Musharraf regime cannot be ruled out as a consequence of its new policy vis-à-vis the Taliban. However, it is reasonable to assume that the prospect for such a coup is diminishing as more time lapses by.

In sum, it appears that co-operating with United States since its domestic support has indeed declined initially has weakened the Musharraf regime. However, Pakistan's relations with the United States have been strengthened. Thus, if the military regime survives the initial turmoil its new Taliban policy has led to, it is possible that it will be able harvest the economic benefits that are associated with more favourable trade relations with the United States. The United States has also declared that it is willing to establish a long term military co-operation with Pakistan which could have favourable military consequences for Pakistan in its efforts to balance India's conventional military superiority on the South Asian subcontinent. The destiny of the Musharraf regime will therefore very much be shaped by the extent and duration of the U.S.-led military campaign against the Taliban and Al Qaeda.

India has traditionally had hostile relations with Afghanistan and was one of the few democracies that did not criticize the Soviet Union for its invasion of Afghanistan in 1979. The main cause for the hostilities that have shaped India's relations with the Taliban can be traced to the Taliban's persistent support to the militant organisations that are organising the insurgency in Indian Kashmir. It is estimated that between 70 and 80 per cent of the militants who operate in Kashmir are foreigners, predominantly from Pakistan and Afghanistan.⁹⁰³

Consequently, the BJP government did not have any difficulties in accommodating U.S. requests to get access to military infrastructure and air bases to launch the operations against the Taliban and Al Qaeda. There has been strong bipartisan support for the government's position where the only political party to have voiced any opposition to India's support of the U.S.-led operation is the Communist Party.

India obviously sees a window of opportunity in combating one of the sources of the Kashmiri insurgency by providing assistance to the United States. India's incentive to support the U.S.-led coalition against Al Qaeda was further strengthened by the fact that over 250 Indian citizens lost their life as a consequence of the acts of terror that took place against the World Trade Center in New York.

However, one of the challenges to India in this process is to assure that its 140 million Muslim population does not engage in any violent opposition against India's support of the United States' antiterrorist policy. There have also been threats from terrorist organisations operating in Kashmir that they will step up their military activities as a consequence of India's support to the United States.⁹⁰⁴ However, it is important to note that the umbrella organisation for the Muslim parties in Kashmir, All Hurriyat, has strongly condemned the acts of terror on 11

⁹⁰¹ "Musharraf Tries to Calm Vocal Islamic Opponents", in *International Herald Tribune*, 20 September 2001.

⁹⁰² "Musharraf Fears Military Coup", *Pakistan Today*, September 8, 2001.

⁹⁰³ Chalk Peter, "Pakistan's Role in the Kashmir Insurgency", p. 27.

⁹⁰⁴ The terrorist organisation Tehrikul Mujahideen claims that it will step up its terrorist activities by attacking nuclear installations and politicians in New Delhi as a consequence of India's support to the United States.

September and claimed that the United States has a legitimate right to attack the perpetrators with military means.

The conclusion can be drawn that Pakistan has paid a higher political price than India to adjust its policy vis-à-vis the Taliban to U.S. requests. Thus in the short term balance of power between India and Pakistan, Pakistan appears weakened since Pakistan has lost one of its closest allies in the Taliban and the new government in Kabul will most likely be more hostile to Islamabad. The Musharraf government has also undermined its domestic political support and the country could possibly fall into a civil war. However, if the Musharraf regime survives the turmoil that the U.S.-led operations against the Taliban and Al Qaeda have caused, it might actually regain its strength vis-à-vis India since the United States has expressed that it is very pleased with Islamabad's co-operation and the United States sees this as a beginning of a long process that economically, politically and even militarily will bring the United States and Pakistan closer to each other. It is likely that India's opposition against such a development will be very vocal. Neither is it impossible that India will reconsider its "rapprochement" with the United States as a consequence of such a development. However, such a decision would be irrational since it could have obvious negative implications for India's economy if it affects India's terms of trade with the United States.

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ARTICLE No 4

**Central Asia – a New Afghanistan?
The Consequences of the Socio-economic Environment for
Religious and Ethnic Strife
By
Emma Sandström**

Abbreviations

CIS	Commonwealth of Independent States
EBRD	The European Bank for Reconstruction and Development
ECO	Economic Cooperation Organisation
FSU	Former Soviet Union
GBAO	Gorno-Badakhshon Autonomous Oblast
GDP	Gross Domestic Product
GNP	Gross National Product
IMF	International Monetary Fund
IMU	The Islamic Movement of Uzbekistan
MP	Member of Parliament
PFP	Partnership for Peace
RRS	Region of Republican Subordination
SCO	Shanghai Cooperation Organisation
UNDP	United Nations Development Program
UNHCR	United Nations High Commissioner for Refugees
UTO	United Tadjik Opposition
CAU	Central Asian Union
WTO	World Trade Organisation
NGO	Non-Governmental Organisation

Introduction

The unstable situation in Afghanistan has caused worries for the post-Soviet Central Asian countries – Kazakhstan, Kyrgyzstan, Tadjikistan, Turkmenistan and Uzbekistan – since they became independent ten years ago. These worries have increased as the conflict between the Taliban and the Northern Alliance, which for a long time have operated in the north of Afghanistan near the borders of the Central Asian countries, has escalated. In June 2000, all Central Asian presidents met in Dushanbe to discuss the growing instability in the region emanating from the conflict in Afghanistan. The presidents jointly accused the UN and the international community for not doing enough to end the war that was seen as the root to the problems affecting the Central Asian countries.⁹⁰⁵ The Central Asian countries have in many ways been directly affected by the development in Afghanistan and the internal regional problems in Central Asia have much in common with the problems in Afghanistan.

The purpose of this report is not to look at the direct threats from Afghanistan against the Central Asian countries. The focus rather lies on how the countries are affected by the threat that the problems Afghanistan has suffered from during the last years might be exported to the Central Asian countries or reinforce those problems that are already evident in the region. This is done against the background of the changed socio-economic conditions in the post-Soviet states. This risk, that existed also before the terrorist attacks in the USA in September 2001, is now perceived to have increased, which in its turn increases the risk for actual conflicts to erupt. The report will describe how these threats affect each of the countries in the region in varying degrees, and how the countries have responded to the threats. In order to be able to describe how the threats affect the security of the five countries, the report will also include descriptions of the military capabilities and constraints in each country. The reactions the attacks against the United States and the U.S. retaliation against terrorism in Afghanistan have caused in the Central Asian countries and the implications these events can have for the increased threats will be mentioned in the report, but these events in themselves will not be described further.

The report identifies three main categories of threats: ethnically related threats, religiously related threats and economically related threats. Unfortunately, however, the division line between these threats will sometimes be blurred as they affect and enforce each other. The *ethnically related threat* emanating from Afghanistan is what has been described as “Afghanisation”, meaning that the countries might break down along ethnic lines and conflicts erupt between the ethnic groups. The fear of increasing flows of refugees from Afghanistan and the risk it poses for the different countries will be dealt with in connection with these threats. There is also a risk of increasing internal migration. In connection with the fear of ethnic breakdown, the report will also investigate the closely related threat that the states might break down along tribal (or clan) lines, which has also happened in Afghanistan. The *religiously related threats* include the risk of religious radicalisation that might lead to breakdown along religious lines and religiously motivated conflicts. The *economically related threats* will in this case focus on the risk for increasing illegal trade and the smuggling of drugs in particular.

⁹⁰⁵ Rashid, Ahmed (2001) "Central Asia Summary: Recent Developments in Uzbekistan, Tadjikistan", *Eurasianet Eurasia Insight*, 17 January, downloaded from the Internet 11 October 2001 on <http://www.eurasianet.org/departments/insight/articles/eav011701.shtml>.

This report will assume that the countries that are most affected by the above-mentioned threats are Tadjikistan, Kyrgyzstan and Uzbekistan (possibly, but not necessarily, in that order) followed by Turkmenistan and Kazakhstan. This assumption is based on the following observations. Tadjikistan and Kyrgyzstan, the two poorest and least investigated countries in the region, are probably the two most exposed countries in this perspective. Tadjikistan shares a long border with Afghanistan and has been severely weakened by the civil war between 1992 and 1997, in which the Islamic opposition had close contacts with Afghanistan and the Taliban regime. The country is fractured along several lines, including ethnic and regional lines. Kyrgyzstan is structurally weak with poor military capacity and even though it does not share a border with Afghanistan it has become a transit country for the radical Islamic groups that have tried to enter the Fergana valley and Uzbekistan. It has a complex ethnic composition with several relatively large ethnic groups and would have difficulties in countering a strong internal pressure.

Uzbekistan has been directly targeted by the radical Islamic groups that wish to establish Islamic regimes in the Central Asian region and feel that the secular regime under Islam Karimov is a betrayal against this the most Islamic country in the region. The regime has responded by putting hard pressure on all religious activists in the country, which risks fuelling more radical feelings. On the other hand, the country is ethnically relatively homogeneous and possesses the largest military in the region, although it is badly trained and equipped. Nevertheless, the latter fact makes them more confident and less exposed in relation to their border against Afghanistan in comparison with Tadjikistan. Furthermore, the Afghan-Uzbek border is also shorter and easier to guard than the mountainous Afghan-Tadjik border.

Turkmenistan, like Tadjikistan, shares a long border with Afghanistan, but it is relatively well guarded and Turkmenistan has maintained good contacts with both main rivalling forces in Afghanistan, the Taliban and the Northern Alliance. Moreover, the authoritarian regime under President Saparmurat Niyazov keeps a strict control of all groups in the country, ethnic, religious or otherwise. In relation to Turkmenistan it is, however, especially important to emphasise that the assessment of the threats outlined above towards this country is based on a short perspective. If the strict authoritarian regime in Turkmenistan would start to show cracks, the country's stability might fall apart quicker than in any other country in the region. Kazakhstan, finally, emerges today as one of the most stable countries in the region and is farthest removed from the Afghan border, even though it is worried about potential spill-over effects from the neighbouring Central Asian countries. The emphasis will thus lie on the first three countries in the analysis of the risks these countries face as a consequence of the threat of the "exported" problems from Afghanistan. The descriptions of the socio-economic conditions that affect the degree of the risks and the military capabilities and constraints that affect the possibilities each country has to deal with the risks will also be more comprehensive for the first three countries.

Outline

The report looks at the five countries in the order suggested above, that is, starting with Tadjikistan and continuing with Kyrgyzstan, Uzbekistan, Turkmenistan and finally Kazakhstan. Each country section begins with a brief introduction about some crucial characteristics, including a description of the leadership in the countries. This is followed by a description of the countries' military capabilities and an assessment of their possibilities to

defend themselves against violent conflicts as a result from the threats that are presented in the report. After this will follow a description of the socio-economic conditions in the respective countries. The threats emanating from the south will be grouped together into the three categories presented above – ethnically, religiously and economically related threats – and examined in this order. Each country section will be concluded separately, but the general conclusion for the whole region and a discussion of the differences and similarities between the different countries will be presented separately in the final chapter.

Material

There have been quite a large number of books and articles written about post-Soviet Central Asia, especially since the latter half of the 1990s, of which a selection has been used in this report. There are also a number of institutes and organisations that regularly publish initiated reports and analyses on Central Asia, for example BISNIS, Central Asia – Caucasus Analyst, Eurasianet, International Crisis Group, Institute for War and Peace and Radio Free Europe/Radio Liberty, which were very useful in this study. The report has also used material from the international organisations operating in the area, local statistics and some newspapers. Finally, the compilation of local media from BBC Summary of World Broadcast and the corresponding Internet service provides easily accessible translated media from the Central Asian countries as well as from their neighbours.

Definitions and Clarifications

Wahhabism is often presented as a threat against the region by the authorities and media in both Central Asia and Russia. Usually they have a tendency to label all orthodox Islamic adherents and movements “Wahhabis” or “Wahhabi” and it is thus often not Wahhabis in a theological sense that they are referring to. The term “Wahhabism” has in these contexts rather come to signify the same thing as Islamic extremism. However, Wahhabi adherents have been present in Central Asia since the beginning of the 20th century. The Wahhabi movement is a strict branch of Islam that was founded in the 18th century by Abdul Wahab from Saudi Arabia. In 1912, Sayed Shari Mohammed from Medina arrived in Central Asia and established Wahhabi cells in the Fergana valley (that unites present day Kyrgyzstan, Tadjikistan and Uzbekistan) and in the Uzbek capital Tashkent. From these areas and Northern India the movement spread to Afghanistan and then more adherents came from Afghanistan to Central Asia where they have had a limited support.

When the independent states were established in Central Asia, Saudi Arabia started giving contributions to the Muslims in the area to enable them to visit Mecca and grants to Central Asian mullahs for studying in Saudi Arabia. The exchange exposed both mullahs and ordinary Muslims from Central Asia to Wahhabism, which deeply worried the regimes of these countries. Consequently, Wahhabism was soon depicted as one of the major threats against the region. When this report refers to Wahhabis in the sense of orthodox or extremist Muslim groups it will be because the latter are described as Wahhabis by, for example, the Central Asian regimes. It will either be marked by quotation marks or be clearly presented as used by the regional regimes or media.

The Islamic Movement of Uzbekistan (IMU) and the description of its leaders should also be treated with some caution. The IMU was formalised in Afghanistan in 1998 by Tohir YulDOShev and Juma Namangani with the aim to topple the regime of Uzbek President Islam Karimov (hence the name) but has roots in several other organisations and existed also previous to this date. Tohir YulDOShev is described as the spiritual and political leader of the IMU and as the political mentor of Juma Namangani. In an interview conducted in 2000, he explained that the IMU has declared a Jihad in order to create an Islamic religious system based on the pure *shariya* laws stemming directly from the Prophet – a system he did not think has existed either in Afghanistan or any other present-day country. According to many experts, including Pakistani journalist Ahmed Rashid, Namangani is the military leader of the IMU. This implies that he holds lower rank than YulDOShev, which is worth remembering since Namangani is often described only as “(the) leader of the IMU” because he is better known than YulDOShev.⁹⁰⁶ Consequently, when this report refers to Namangani as leader of the IMU it is implied that he is only the military leader and not the highest leader of the IMU.

The IMU has kept their main bases in Mazar-i-Sharif and Kunduz in northern Afghanistan and has received help from the Taliban and funding from Osama bin Laden. IMU has recruited some new members from Chechnya and Dagestan in the Russian Federation as well as some Uighurs from the Xienjiang province in China in addition to those from Uzbekistan, Kyrgyzstan and Tadjikistan. The total number of IMU members is, however, uncertain. According to the latest figure from Ahmed Rashid, there were 3,000 IMU fighters in Afghanistan in the autumn 2001, whereas the *Newsweek* wrote that Namangani had no more than 2,000 fighters under his command at the same time. The IMU was added to a financial hit list by the USA after the attacks on the United States in September 2001. However, even if there have appeared reports during the autumn 2001 that Juma Namangani was serving as a lieutenant to bin Laden, there are no public evidence that the IMU has taken part in any *global-scale* terrorist operations.⁹⁰⁷ In mid-November 2001, Juma Namangani was reported killed in battle, but as researcher Ariel Cohen writes, this will hardly change the general picture, and there were simultaneous reports that IMU members were crossing into Tadjikistan, where they have an estimated capacity for training up to 5,000 guerrillas a year.⁹⁰⁸

⁹⁰⁶ Rashid, Ahmed (2001) "Namangani's Foray Causes Concern Among Central Asian Governments", *Eurasianet Eurasia Insight*, 2 May, downloaded from the Internet 2 October 2001 on <http://www.eurasianet.org/departments/insight/articles/eav020501.shtml> and Rashid, Ahmed (2001) "Pamirs Offer IMU Secure Base", *Eurasianet Eurasia Insight*, 4 October, downloaded from the Internet 2 October 2001 on <http://www.eurasianet.org/departments/insight/articles/eav041001.shtml>.

⁹⁰⁷ Caryl, Christian (2001) "In the Hot Zone", *Newsweek*, Vol.138, No.15, 8 October, p.32; ICG (2001) *Central Asian Perspectives on 11 September and the Afghan Crisis*, Central Asia Briefing, Osh/Brussels 28 September, downloaded from the Internet 2 October 2001 on <http://www.crisisweb.org/projects/showreport.cfm?reportid=439>; Rashid, Ahmed (2001) "Namangani's Foray Causes Concern Among Central Asian Governments", *Eurasianet Eurasia Insight*, 2 May, downloaded from the Internet 2 October 2001 on <http://www.eurasianet.org/departments/insight/articles/eav020501.shtml> and Rashid, Ahmed (2001) "Pamirs Offer IMU Secure Base", *Eurasianet Eurasia Insight*, 4 October, downloaded from the Internet 2 October 2001 on <http://www.eurasianet.org/departments/insight/articles/eav041001.shtml>.

⁹⁰⁸ Cohen, Ariel (2001) "Central Asia Beyond Namangani", 21 November, Biweekly briefing from *Central Asia – Caucasus Analyst*, downloaded from the Internet 22 November 2001 on http://www.cacianalyst.org/November_21_2001/November_21_2001_Namangani.htm.

Tadjikistan

Figure 1. Regional differences



- Pamiri people. Mostly Ishmaelite Shia Muslims.
- Valley of the river Surhob. Dominated by deeply religious Sunni Muslims, but also sizable numbers of Ishmaelite Shia Muslims.
- Dominated by Sunni Muslims.

Introduction

Tadjikistan was one of the smallest and poorest republics in the former Soviet Union and the time of independence has been hard for the country. More than 93 per cent of the country's surface is covered with mountains. The agricultural area is consequently very limited and communications between different parts of the country complicated. Both terrain and difficult communications has restricted the development of industry, for example extradition of the natural resources. Furthermore, it has led to a strong sense of loyalty on the regional level,

making the state building process very complicated.⁹⁰⁹ Tadjikistan has not pushed as strongly for regional integration between the countries in the former Soviet sphere as Kazakhstan and Kyrgyzstan, but has had no alternative to letting itself become integrated in the CIS because of the almost total dependency on Russia. This dependence is likely to remain strong for a long time to come, especially considering the havoc caused to the economy by the civil war.⁹¹⁰ Emomali Rakhmonov has been president in Tadjikistan since 6 November 1994, but he was head of state even before that date as chairman of the Supreme Assembly since November 1992.⁹¹¹

Tadjikistan's time of independence has been coloured by the civil war in 1992 to 1997 between the former Soviet communist elite that remained in power when the country became independent and a coalition of reform-oriented democrats and Islamists. Approximately 60,000 people were killed during the civil war and a quarter of a million lost their homes. The most intense battles in the civil war were fought in the Khatlon province in southwest Tadjikistan, whereas the country's most developed region, Leninobod, was kept clear from the battles.⁹¹² In April 1994, the UN managed to arrange peace negotiations between the government and the opposition and one of the most important results of the ensuing talks was a cease-fire agreement that took effect in October 1994. This original agreement was later renewed in 1996.⁹¹³

In June 1997 the heads of the two opposing sides signed the final agreement on peace and national accord in Moscow. According to the leader of the Islamic Rebirth party, Sayed Abdullo Nuri, who formerly was the leader of UTO, the United Tadjik Opposition, some of the difficulties in the implementation of this peace agreement stems from the quota of 30 per cent of the government posts for former opposition members. This has been hard to achieve because of the pressure on the president by his associates and because of the weakness of the former UTO members holding high-ranking government posts.⁹¹⁴ The political tensions could most likely increase now that the negotiated period guaranteeing the opposition the 30 per cent quota in the government has ended.

Emomali Rakhmonov puts the number of killed to 100,000 and the number of refugees to about one million. According to the Committee for National Reconciliation chaired by the leader of the United Tadjik Opposition, Said Abdullo Nuri, that includes members of both the opposition and the government, more than 90 per cent of the refugees had returned to

⁹⁰⁹ Petersson, Bo (1996) "Tadjikistan – ändlösa konflikter i en artificiell stat?" in Petersson, Bo & Svanberg, Ingvar (eds.) *Det nya Centralasien: fem forna sovjetrepubliker i omvandling*, Lund, Studentlitteratur, pp.71-80.

⁹¹⁰ Compare for example with Kuzmin, I.A. (2001) "The Causes and Lessons of the Civil War" in Vassiliev, Alexei *Central Asia: Political and Economic Challenges in the Post-Soviet Era*, London, Saqi Books, pp.175-219 and Webber, Mark (1997) *CIS Integration Trends. Russia and the Former Soviet South*, London, Royal Institute of International Affairs, p.26-27.

⁹¹¹ CIA (2000) *The World Factbook 2000. Tadjikistan*. (online), downloaded from the Internet 22 May 2001 from <http://www.odci.gov/cia/publications/factbook/geos/ti.html>.

⁹¹² *Tadjikistan*. Länder i fickformat, nr.917 (1999), Stockholm, Utrikespolitiska institutet, pp.15-16.

⁹¹³ Atkin, Muriel (1997) "Tadjikistan" in Curtis, Glenn E. (ed.) *Kazakstan, Kyrgyzstan, Tadjikistan, Turkmenistan and Uzbekistan: country studies*, Washington, Federal Research Division, Library of Congress, p.270.

⁹¹⁴ Voice of the Islamic Republic of Iran: "Opposition leader criticizes military operation near Tadjik capital – Iran radio", 29 June 2001 in *BBC Monitoring Global Newslines – Central Asia Political*, 30 June 2001, from BBC Monitoring topic@mon.bbc.co.uk and Voice of the Islamic Republic of Iran: "Tadjik rebels begin 'guerrilla activities' in east of capital, Iranian radio", 29 June 2001 in *BBC Monitoring Global Newslines – Central Asia Political*, 30 June 2001, from BBC Monitoring topic@mon.bbc.co.uk.

Tadjikistan by mid-October 1997, many of whom came from Afghanistan. Data from both the United Nations High Commission for refugees and official Dushanbe documents reveal that 6,500 refugees were still living in Afghanistan by the same time. The economic loss of the war is of course also huge, according to Rakhmonov close to USD seven billion, and a number of houses and most of the industrial potential in the south of the country has been destroyed. The close proximity to Afghanistan remains a sensitive issue for Tadjikistan. A number of Tadjik refugees have been living in Afghanistan since the outbreak of the civil war, many of whom are ardent Muslims that made up part of the opposition in the civil war and who were thought to receive support from the Taliban regime. The Tadjik territory has also become a transit route for various militant Islamic groups wanting to enter Uzbekistan or Kyrgyzstan, which create tensions with these countries, and for an increasing drug trade that concerns not only the CIS area but also Europe.⁹¹⁵

Ethnic Strife, Military Capabilities and Constraints

Tadjikistan is the Central Asian country that possesses the least developed military and the state has relied on the presidential guard and Interior Ministry troops in order to combat the opposition. Tadjikistan has had a special relationship with Russia in comparison to the other Central Asian countries, since it had to rely on the Russian army for its national security. The civil war meant that the Russian units and in particular the 201st Motorised Division stationed in Tadjikistan would have to remain in the country in some capacity. These close military ties will probably remain strong for some time to come since, as Russian officials have pointed out, it is unlikely that Tadjikistan will have the opportunity to develop an autonomous military until the internal situation has become further stabilised.⁹¹⁶ As a practical indicator, there are plans to set up a Russian military base in Tadjikistan during the year 2001 following ratification from the both sides.⁹¹⁷ Russia would disband its peacekeeping force of 8,000 men in Tadjikistan in order to set up this formal base and increase its manpower to 50,000 by 2003 with the main purpose to guard the border with Afghanistan.⁹¹⁸

Tadjikistan began assembling its own army in 1993 and the first units were drawn from Popular Front forces that had been active in the civil war. These bands initially kept their earlier identity and commanders within the new army, making the development of a cohesive military difficult and even causing casualties from battles between different units.⁹¹⁹ During the last years, the leadership has given a high priority to the strengthening of the People's Army, the police and the security forces. The army numbers around 11,500 military officers and includes two motor rifle brigades of the Russian type, a special purpose brigade, four

⁹¹⁵ Kuzmin, I.A. (2001) "The Causes and Lessons of the Civil War" in Vassiliev, Alexei *Central Asia: Political and Economic Challenges in the Post-Soviet Era*, London, Saqi Books, pp.191-192.

⁹¹⁶ Kangas, Roger D. (1996) "With an Eye on Russia, Central Asian Militaries Practice Cooperation", *Transition*, Vol.2, No.16, 9 August, pp.16-19.

⁹¹⁷ Asia-Plus news agency: "Tadjik defence minister meets commanders of Russian military districts", 4 July 2001 in *BBC Monitoring Global Newslines – Central Asia Political*, 5 July 2001, from BBC Monitoring topic@mon.bbc.co.uk.

⁹¹⁸ Rashid, Ahmed (2001) "Central Asia Summary: Recent Developments in Uzbekistan, Tadjikistan", *Eurasianet Eurasia Insight*, 17 January, downloaded from the Internet 11 October 2001 on <http://www.eurasianet.org/departments/insight/articles/eav011701.shtml>.

⁹¹⁹ Atkin, Muriel (1997) "Tadjikistan" in Curtis, Glenn E. (ed.) *Kazakhstan, Kyrgyzstan, Tadjikistan, Turkmenistan and Uzbekistan: country studies*, Washington, Federal Research Division, Library of Congress, pp.285-286.

battalions and a mixed squadron. The army lacks resources and materiel and there have been cases of desertion.⁹²⁰

Only 70 km of the 1,300 km long Afghan-Tadjik border is protected by Tadjikistan's own border units, but about two-thirds of the border guards serving under Russian command are Tadjik citizens.⁹²¹ According to the International Institute for Strategic Studies for the year 2001, there were 1,200 men serving in the newly formed Tadjik Border Guards acting under the Ministry of Interior and around 14,500 serving under the Russian Border Guards.⁹²² In 1997, the Tadjik military expenditure was USD 17 million, which equals around 1.8 per cent of GDP. Today, the Tadjik military also includes an air force and air defence forces in addition to the army, the Presidential National Guard and the security forces (consisting of internal and border troops).⁹²³ The National Guard comprises around 1,500 fighters and the security units number approximately 4,000 soldiers.⁹²⁴

Tadjikistan is today the only state in Central Asia where Russia still has troops stationed and Tadjikistan participates actively in the Russian-dominated CIS Collective Security Treaty as well as the integrated air defence system (to the relatively limited extent that CIS military cooperation actually exists). During April 2000, for example, Tadjikistan hosted the CIS Southern Shield exercises with participation from Russia, Kazakhstan, Kyrgyzstan and Uzbekistan in the southwest of the country (although the latter country only participated in some exercises that were held on Uzbek territory).⁹²⁵ The situation along the Tadjik-Afghan border has been the most serious threat towards the security of the Central Asian states according to the Kazakh researcher Oumirserik Kasenov. The risk of "Afghanisation", that is, that the states are fragmented along ethnic lines, could become reality if the Tadjik-Afghan border was to disappear.⁹²⁶ This fear has been reinforced by the knowledge of the role Afghanistan played in the Tadjik civil war, when the opposition had their headquarters in the eastern Afghan town Jalalabad.⁹²⁷

Apart from the long border shared with Afghanistan, Tadjikistan also has borders to China, Kyrgyzstan and Uzbekistan. At the same time as Tadjikistan asked Russia to protect the Tadjik-Afghan border in 1993, they also requested Russian border troops to protect the

⁹²⁰ Kuzmin, I.A. (2001) "The Causes and Lessons of the Civil War" in Vassiliev, Alexei *Central Asia: Political and Economic Challenges in the Post-Soviet Era*, London, Saqi Books, p.196.

⁹²¹ ICG (2001) *Central Asian Perspectives on 11 September and the Afghan Crisis*, Central Asia Briefing, Osh/Brussels 28 September, downloaded from the Internet 2 October 2001 on <http://www.crisisweb.org/projects/showreport.cfm?reportid=439>.

⁹²² The International Institute for Strategic Studies (IISS) (2001) *The Military Balance 2001/2002*, London, Oxford University Press, p.170.

⁹²³ CIA (2000) *The World Factbook 2000. Tadjikistan*. (online), downloaded from the Internet 22 May 2001 from <http://www.odci.gov/cia/publications/factbook/geos/ti.html>.

⁹²⁴ Kuzmin, I.A. (2001) "The Causes and Lessons of the Civil War" in Vassiliev, Alexei *Central Asia: Political and Economic Challenges in the Post-Soviet Era*, London, Saqi Books, p.196-197.

⁹²⁵ de Temple, James, Lt Col (2001) "Tadjikistan: Growing Importance in Central Asian Security", *Eurasianet Eurasia Insight*, 22 February, downloaded from the Internet 18 March 2001 on www.eurasianet.org/departments/insight/articles/eav022201.shtml.

⁹²⁶ Kasenov, Oumirserik (1998) "Central Asia: national, regional and global aspects of security" in Allison, Roy & Bluth, Christoph (eds.) *Security Dilemmas in Russia and Eurasia*, London, Royal Institute of International Affairs, p.190 and Zagorski, Andrei V. (1999) "Traditional Russian Security Interests in the Caucasus and Central Asia" in Menon, Rajan, Fedorov, Yuri E. & Nodia, Ghia (eds.) *Russia, the Caucasus and Central Asia: the 21st Century Security Environment*, New York, M. E. Sharpe, Inc., p.73.

⁹²⁷ Petersson, Bo (1996) "Tadjikistan – ändlösa konflikter i en artificiell stat?" in Petersson, Bo & Svanberg, Ingvar (eds.) *Det nya Centralasien: fem forna sovjetrepubliker i omvandling*, Lund, Studentlitteratur, p.88.

Tadjik-Chinese border, since the country lacked resources to do so itself.⁹²⁸ This lack of control is important as it may further increase China's worries that separatist ethnic Uighurs from Chinese Xienjiang might easily cross the border both between China and Tadjikistan and through Tadjikistan to Afghanistan in order to reach a base for carrying out subversive activities against China. It should be noted, however, that there is only a small number of ethnic Uighurs living in Tadjikistan in comparison with the other Central Asian countries that border China as well as Uzbekistan. Parts of the border with China remains undelimited, and Tadjikistan also has a border dispute with Kyrgyzstan on the northern border in the Isfara Valley area.⁹²⁹

Tadjikistan has signed bilateral security agreements with both Kyrgyzstan and Uzbekistan⁹³⁰ and has participated in the security cooperation with China within the Shanghai-Five framework since the start in April 1996.⁹³¹ The inclusion of Uzbekistan into the new Shanghai Cooperation Organisation (SCO) could reduce the degree of security cooperation within this framework, at the same time as the struggle against terrorism might become more difficult because of the sometimes strained relations between Tadjikistan and Uzbekistan. Nevertheless, if the SCO could persuade Uzbekistan to co-ordinate its anti-terrorist efforts with the other members and put an end to the unilateral measures the country has so far taken at the expense of Tadjikistan (see below), this would be a real benefit for Tadjikistan.⁹³² As a result of the increased activities of Islamic militants in Central Asia, China decided in May 2000 to offer Tadjikistan an aid programme worth approximately USD 0.6 million to help equip the country's armed forces.⁹³³ Tadjikistan has also signed beneficial military technical agreements with Ukraine.⁹³⁴ Internationally, Tadjikistan was the last Central Asian country to apply for membership in the Partnership for Peace programme in May 2001.⁹³⁵

During the summer 2001, Uzbekistan planted mines along the Tadjik-Uzbek border without previously warning Tadjikistan with the claimed purpose of preventing militants from the Islamic Movement of Uzbekistan (IMU) from entering Uzbekistan from Tadjik territory. So far, however, the mines have "only" caused several civilian casualties. Tadjikistan's Foreign Ministry sent a letter of protest to the Uzbek side demanding that the planting of the mines, which is against the international document banning the production of antipersonnel mines,

⁹²⁸ NTV International: "Russian Troops Protect Tadjik-Afghan and Tadjik-Chinese Borders", *BBC Monitoring Former Soviet Union – Political*, 6 July 1999, downloaded on the Internet from Reuters Business Briefing 3 August 2000.

⁹²⁹ CIA (2000) *The World Factbook 2000. Tadjikistan*. (online), downloaded from the Internet 22 May 2001 from <http://www.odci.gov/cia/publications/factbook/geos/ti.html>.

⁹³⁰ Kangas, Roger D. (1996) "With an Eye on Russia, Central Asian Militaries Practice Cooperation", *Transition*, Vol.2, No.16, 9 August, p.18.

⁹³¹ Kasenov, Oumirserik (1998) "Central Asia: national, regional and global aspects of security" in Allison, Roy & Bluth, Christoph (eds.) *Security Dilemmas in Russia and Eurasia*, London, Royal Institute of International Affairs, p.190.

⁹³² "Russia has Misgivings about Shanghai Cooperation Organisation" (2001) *Eurasianet.org*, 21 June, downloaded on the Internet 11 November 2001 from www.eurasianet.org/departments/insight/articles/eav062001.shtml.

⁹³³ The International Institute for Strategic Studies (IISS) (2000) *The Military Balance 2000/2001*, London, Oxford University Press, p.159.

⁹³⁴ Asia-Plus news agency: "Ukrainian military colleges to train 33 Tadjik cadets", 16 July 2001 in *BBC Monitoring Global Newslines – Central Asia Political*, 17 July 2001, from BBC Monitoring topic@mon.bbc.co.uk.

⁹³⁵ Rein, Abraham (2001) "Tadjikistan to Join PFP", *Eurasianet.org* 17 May, downloaded from the Internet 15 January 2001 on <http://www.eurasianet.org/resource/Tadjikistan/hypermail/200005/0019.html>.

their storage and use, should be stopped. Uzbekistan ignored this letter and has continued to plant new mines along the border during the summer 2001.⁹³⁶ In response, Tadjik border guards started to remove the mines.⁹³⁷ Earlier, Uzbekistan has been setting up obstacles for Tadjik citizens to use Uzbek roads.⁹³⁸

The Tadjik-Uzbek relations have consequently been sensitive for the Tadjik authorities, which fear future Uzbek ambitions in the region. This tension could grow stronger if the substantial Tadjik minorities in Samarkand and Bukhara would get support from the government in Dushanbe for their desire that these cities should belong to Tadjikistan at the same time as the large Uzbek minority in northern Tadjikistan is backed by the government in Tashkent for their strivings to get the region under Uzbek rule. It is, however, very unlikely that the Tadjik government would give their support to anything that could be seen as a threat by Uzbekistan anytime soon because of the weakness of the present-day Tadjik state.⁹³⁹ Even if the authorities are anxious to maintain peaceful relations with their powerful western neighbour this does, however, not exclude the possibility that tensions could grow stronger locally and eventually force the government to take measures against their wishes.

Kyrgyzstan has also voiced concerns about renewed incursions of IMU fighters from Tadjikistan who want to cross Kyrgyzstan in order to reach Uzbek territory as happened in 1999 and 2000. The two countries have consequently stepped up their cooperation in the fight against the international terrorists. Additional servicemen have been sent by the Tadjik State Border Protection Committee to protect the Tadjik-Afghan border and checkpoints had been strengthened along possible routes of the IMU.⁹⁴⁰ Tadjik authorities have maintained during the summer 2001 that there are no IMU fighters near the Tadjik-Kyrgyz border and no IMU bases on Tadjik territory. Kyrgyz intelligence sources have by contrast stated that militants have tried to enter Kyrgyzstan from Tadjikistan and that IMU units are massed in the border area.⁹⁴¹ A joint Kyrgyz-Tadjik inspection in the summer 2001 found no evidence of IMU bases on Tadjik territory. Since the areas that the IMU is reportedly utilising is situated in the high mountains and controlled by warlords who are friendly with IMU leader Juma Namangani and who operate largely beyond Dushanbe's control, it can hardly be excluded that there are well-hidden IMU bases in Tadjikistan.⁹⁴²

⁹³⁶ Tadjik Radio first programme: "Tadjik border chief, international organization official discuss Uzbek mines", 26 June 2001 in *BBC Monitoring Global Newslines – Central Asia Political*, 28 June 2001, from BBC Monitoring topic@mon.bbc.co.uk.

⁹³⁷ Asia-Plus news agency: "Tadjik border guards are removing Uzbek landmines", 12 July 2001 in *BBC Monitoring Global Newslines – Central Asia Political*, 14 July 2001, from BBC Monitoring topic@mon.bbc.co.uk.

⁹³⁸ Voice of the Islamic Republic of Iran: "Uzbek president urges Tadjik authorities to sack opposition minister, Iran radio", 12 August 2001 in *BBC Monitoring Global Newslines – Central Asia Political*, 14 August 2001, from BBC Monitoring topic@mon.bbc.co.uk.

⁹³⁹ Petersson, Bo (1996) "Tadjikistan – ändlösa konflikter i en artificiell stat?" in Petersson, Bo & Svanberg, Ingvar (eds.) *Det nya Centralasien: fem forna sovjetrepubliker i omvandling*, Lund, Studentlitteratur, p.79.

⁹⁴⁰ Asia-Plus news agency: "Tadjik, Kyrgyz security chiefs discuss fight against militants", 31 July 2001 in *BBC Monitoring Global Newslines – Central Asia Political*, 2 August 2001, from BBC Monitoring topic@mon.bbc.co.uk.

⁹⁴¹ Koichiev, Arslan (2001) "Kyrgyz Soldiers Reportedly Clash with IMU Fighters", *Eurasianet.org*, 26 July, downloaded from the Internet 1 August 2001 on www.eurasianet.org.

⁹⁴² Koichiev, Arslan (2001) "Skirmishes suggest IMU is changing tactics", *Eurasianet.org*, 8 June, downloaded from the Internet 16 August 2001 on www.eurasianet.org.

IMU earlier had bases in the Tavildara and Karategin valleys in the Pamir mountains, northeast of the capital Dushanbe, which they used in order to launch raids into the Ferghana valley. In late November 2000, the Juma Namangani arrived in person to the area with 400-armed men of different nationalities, which caused considerable concern in both Tadjikistan and the neighbouring states, particularly Kyrgyzstan and Uzbekistan. The latter countries urged Tadjikistan to attack the camp, but the coalition government declined to do so. In late January, the IMU were persuaded to leave the area after prolonged negotiations with government ministers who were earlier members of the United Tadjik Opposition (UTO). According to a report by Pakistani journalist Ahmed Rashid, the IMU has nevertheless continued to have a staging base in the Tavildara valley. There is also a network of unarmed underground supporters, or so-called “sleepers”, in and around the Ferghana valley, who have helped the IMU in creating safe housing and bases and stocking up supplies for the IMU guerrillas when they launched their summer raids. Namangani reportedly held strategic meetings with such “sleepers” during his stay in the Tavildara valley, which would mean that the Central Asian countries had reasons for their strong concern.⁹⁴³

The result of the civil war in Tadjikistan is still uncertain. One possible but negative scenario is that the peace agreement from the summer of 1997 may fail over the composition of a new political alliance and consequently undermine the plans to integrate UTO military segments into a regular Tadjik armed force as well. Large scale armed conflict could resume and spread from region to region, the border clashes with Afghanistan could intensify and Uzbekistan could be brought into the conflict. The real danger would be escalation of a conflict beyond Central Asia and directly with, for example, forces in Afghanistan.⁹⁴⁴ The American operations against the Taliban and the terrorists harboured by them that started in October 2001 could trigger the internal tensions in the country further; especially considering the official support Tadjikistan has given the Americans. This is a very sensitive issue for Tadjikistan. The opposition members who have remained on the other side of the Tadjik-Afghan border are usually the most radical and also have some support in Tadjikistan. There is a clear risk that these persons will return to Tadjikistan if they feel their position has become less secure in Afghanistan. In some parts of the country, it is very likely that the former opposition members would gain a degree of support for their continued struggle against the incumbent regime.

Socio-Economic Factors

Tadjikistan was the poorest republic in the former Soviet Union (FSU). The breakdown of the Soviet Union led to a further decline in the economy and the civil war brought along a full-blown economic crisis featuring the loss of investors' confidence, deterioration of the productive infrastructure and emigration of skilled professionals (“brain drain”) from the republic. This sombre economic picture has resulted in much more severe output declines for

⁹⁴³ Rashid, Ahmed (2001) "Namangani's Foray Causes Concern Among Central Asian Governments", *Eurasianet Eurasia Insight*, 2 May, downloaded from the Internet 2 October 2001 on <http://www.eurasianet.org/departments/insight/articles/eav020501.shtml> and Rashid, Ahmed (2001) "Pamirs Offer IMU Secure Base", *Eurasianet Eurasia Insight*, 4 October, downloaded from the Internet 2 October 2001 on <http://www.eurasianet.org/departments/insight/articles/eav041001.shtml>.

⁹⁴⁴ Allison, Roy (1999) "The Military and Political Security Landscape in Russia and the South" in Menon, Rajan, Fedorov, Yuri E. & Nodia, Ghia (eds.) *Russia, the Caucasus and Central Asia: the 21st Century Security Environment*, New York, M. E. Sharpe, Inc., pp.45-46.

Tadjikistan than for the other FSU states as well as unprecedented price increases, hollowing of real incomes and loss of control of public finances.⁹⁴⁵

Today, Tadjikistan has the lowest per capita GDP of all the 15 former Soviet republics. The country is dependent on aid from Russia and Uzbekistan as well as international humanitarian assistance for much of its basic sustenance needs. Even though the peace agreement from June 1997 is honoured, Tadjikistan today instead has major problems in integrating refugees and former combatants into the economy. Continued stability and progress in the peace process is essential if Tadjikistan is ever to be able to improve its economy and attract foreign investments. The industry in Tadjikistan consists only of a large aluminium plant, hydropower facilities and small obsolete factories usually involved in light industry or food processing. In addition, the mineral resources of Tadjikistan are limited in relation to the other Central Asian states.⁹⁴⁶

The economic development in Tadjikistan is further hampered by the fact that 90 per cent of the Tadjik territory is mountainous, making communications between different regions difficult. The agricultural area is consequently also limited, but this did not stop the Soviet regime from concentrating heavily on cotton production in Tadjikistan. This production had fallen to a quarter of the level produced during Soviet times in 1996, creating great problems since this used to be the backbone of the economy.⁹⁴⁷ In the year 2000, Tadjikistan suffered from a serious drought that postponed the hope for a revival of the agricultural sector in the close future. During the same year, Tadjikistan increased its exports to and dependence on Russia and the CIS countries. Aluminium sales to Russia accounted for more than half of the total exports and Russia contributed to 77 per cent of the imports, mainly consisting of essential goods through Russian loans.⁹⁴⁸

The government's response to the rapidly dwindling economy in the wake of the civil war was to launch a reform programme consisting of three stages in consultation with the IMF. The first stage contained reforms of the legislature, agricultural reforms, privatisation of smaller companies and a programme for attracting foreign investors. The second stage, carried out between 1998 and 2000, focused on privatisation of major companies, reforming the banking and the credit systems as well as the tax system. The third stage, initiated in 2001, contains continued reforms of the economy, increasing the efficiency of the infrastructure and developing more far-reaching socio-economic programmes. The political will to carry out these reforms has been deemed quite strong.⁹⁴⁹ During a visit to Tadjikistan in the summer of 2001 the IMF delegation said that they regarded the implementation of the programme as

⁹⁴⁵ SSA (2000) *Annual Statistics 2000*, September, Dushanbe.

⁹⁴⁶ CIA (2000) *The World Factbook 2000. Tadjikistan*. (online), downloaded from the Internet 22 May 2001 from <http://www.odci.gov/cia/publications/factbook/geos/ti.html>.

⁹⁴⁷ Petersson, Bo (1996) "Tadjikistan – ändlösa konflikter i en artificiell stat?" in Petersson, Bo & Svanberg, Ingvar (eds.) *Det nya Centralasien: fem forna sovjetrepubliker i omvandling*, Lund, Studentlitteratur, pp.80-81.

⁹⁴⁸ Rashid, Ahmed (2001) "Central Asia Summary: Recent Developments in Uzbekistan, Tadjikistan", *Eurasianet Eurasia Insight*, 17 January, downloaded from the Internet 11 October 2001 on <http://www.eurasianet.org/departments/insight/articles/eav011701.shtml>.

⁹⁴⁹ BISNIS (1999) *Economic Overview of Tadjikistan*, downloaded from the Internet 5 May 2001 on <http://www.bisnis.doc.gov/bisnis/country/99tajove.htm#two>.

generally positive. They also noted that Tadjikistan's economic growth and inflation rates were better than those of the other CIS countries.⁹⁵⁰

In April 1998, Tadjikistan joined the Central Asian Union (CAU), which has proved to be quite an efficient organisation for economic cooperation between the members of the region, as a full member and the country has also participated in the Shanghai-Five cooperation with Russia and China.⁹⁵¹ The addition of Uzbekistan into the new Shanghai Cooperation Organisation in June 2001 is believed to imply an increasing focus on anti-terrorist cooperation within the organisation at the expense of the economic cooperation. If the economic part of the cooperation is developed despite this prediction, the inclusion of Uzbekistan could be important to Tadjikistan because of Tadjikistan's dependence on Uzbekistan, not the least in an economic sense.⁹⁵²

Regional economic profiles and level of employment

Tadjikistan is administratively divided into four regions: Khatlon oblast, Sogd (formerly Khodjand, that was formerly Leninabad), the Region of Republican Subordination (RRS) and Gorno-Badakhshon Autonomous Oblast (GBAO) plus the capital Dushanbe. The difficult economic situation has affected the level of employment of the economically active part of the population in all regions of the country. The average employment level in Tadjikistan has decreased with 37 per cent from 1995 to mid-2000. The decrease has been least in the Sogd region (28%) and most in the Gordo-Badakhshon autonomous region (51%), whereas the decreases in the other three regions were close to the average decrease across the regions of 41 per cent. In average, the level of employment fell sharpest between the first two years examined (with approximately 16 per cent) and has subsequently levelled out at approximately eight per cent a year.⁹⁵³

Employment within the state sector has diminished significantly during the years of independence, partly explained by the privatisation process. According to official figures for the registered unemployed, the rate of unemployment has almost doubled from 1.7 per cent in 1994 to 3.1 per cent during the first half of 1999. These figures should be used only as an indicative trend, however, since the actual rate of unemployment is bound to be considerably higher. The benefits for a registered unemployed person is only approximately USD 1.5 a

⁹⁵⁰ Tadjik Radio first programme: "IMF generally satisfied with Tadjikistan's economic progress", 31 July 2001 in *BBC Monitoring Global Newslines – Central Asia Political*, 1 August 2001, from [BBC Monitoring topic@mon.bbc.co.uk](mailto:topic@mon.bbc.co.uk).

⁹⁵¹ Jonson, Lena (1998) *Russia and Central Asia. A New Web of Relations*, London, Royal Institute of International Affairs, p.10 and Kasenov, Oumirserik (1998) "Central Asia: national, regional and global aspects of security" in Allison, Roy & Bluth, Christoph (eds.) *Security Dilemmas in Russia and Eurasia*, London, Royal Institute of International Affairs, p.190.

⁹⁵² Compare for example with "Russia has Misgivings about Shanghai Cooperation Organisation" (2001) *Eurasianet.org*, 21 June, downloaded on the Internet 11 November 2001 from www.eurasianet.org/departments/insight/articles/eav062001.shtml.

⁹⁵³ State Statistical Agency under the Government of the Republic of Tadjikistan (1999) *Regiony Tadjikistana* (The Regions of Tadjikistan) and SSA (2000) *Annual Statistics 2000*, September, Dushanbe. The decrease in the average employment level in Tadjikistan is calculated by using the sum of the employment figures from the different regions in 1995 and July 2000. The average decrease across the regions is the average of the decrease in each region from 1995 to July 2000 and does not take into account the actual size of the employment figures for each region.

month, creating very low incentives for people to register their status as employed in Tadjikistan.⁹⁵⁴

⁹⁵⁴ SSA (2000) *Annual Statistics 2000*, September, Dushanbe and United Nations Development Program (UNDP) (1999) *Tadjikistan Human Development Report 1998*, Dushanbe.

Table 1. Unemployment rate⁹⁵⁵

<i>Years</i>	<i>1994</i>	<i>1995</i>	<i>1996</i>	<i>1997</i>	<i>1998</i>	<i>1st half of 1999</i>
<i>Unemployment rate</i>	1.7	2.0	2.6	2.8	3.2	3.1

Sources: United Nations Development Program (UNDP) (1999) *Tadjikistan Human Development Report 1998*, Dushanbe and State Statistical Agency under the Government of the Republic of Tadjikistan (2000) *Annual Statistics 2000*, September, Dushanbe.

The lack of strong economic integration between the different regions and especially between the northern Sogd region and the rest of the country causes severe constraints for the economic development of Tadjikistan. The separation is not only detrimental for the economy, but also hampers social and political cohesion between the two parts of the country. Another region with few economic links with the rest of the country is the eastern part of Pamir. Since it is very sparsely populated the economic significance of the region has however been limited.⁹⁵⁶ A strong indicator of the serious current socio-economic situation in Tadjikistan is the presence of supporters for the Islamist group Hizb-ut-Tahrir in the Sogd region. The group is reported to have become increasingly active in the region during the year 2000, even though several analysts earlier deemed it unlikely that fundamentalist groups would find broad support in the region.⁹⁵⁷

Standards of living and prospects for life improvement

The standards of living in Tadjikistan that were low even compared with Soviet standards have worsened during independence as an effect both of the up-break of the Soviet Union with lost subsidies and economic links and as a consequence of the civil war. By the end of the Soviet period, the large part of the Tadjik people had extremely low incomes even compared with the other Soviet states and during the first years of independence the real salaries became even lower if they were paid at all.⁹⁵⁸ According to EBRD's Transition Report from 1999, the annual per capita income was less than USD 200 and 85 per cent of the population were estimated to live in poverty, in the sense that the earned insufficient income to buy a basic food basket.⁹⁵⁹ The standards of living are not the same across the country though, but vary significantly between the different regions. The people living in Dushanbe have the highest average income level as well as the highest average pensions in the country. The average monthly salaries are about twice as high in Dushanbe and the RRS as they are in the three

⁹⁵⁵ The unemployment rate is calculated as a percentage of people without work in relation to the total population capable to work.

⁹⁵⁶ Rosati, D. (1999) *Republic of Tadjikistan: Medium-Term Strategy of Economic Reconstruction, Recovery and Reform*, September, a revised draft report from the United Nations Economic Commission for Europe, p.34.

⁹⁵⁷ Parshin, Konstantin (2001) "Tadjik Government Fears Fundamentalist Spread", *Eurasianet.org*, 27 March, downloaded from the Internet 29 May 2001 on [http:// www.eurasianet.org](http://www.eurasianet.org).

⁹⁵⁸ Atkin, Muriel (1997) "Tadjikistan" in Curtis, Glenn E. (ed.) *Kazakstan, Kyrgyzstan, Tadjikistan, Turkmenistan and Uzbekistan: country studies*, Washington, Federal Research Division, Library of Congress, pp.257-258.

⁹⁵⁹ European Bank for Reconstruction and Development (1999) *Transition Report 1999. Ten Years of Transition*, London, EBRD, pp.271-272.

other regions. The difference between the average pensions in the regions is not as big as the difference in average salaries. Khatlon and Sogd have the lowest pensions, whereas the retired in GBAO and RRS are slightly better off.⁹⁶⁰

In a sombre report by Tadjik-based journalist Saida Nazarova (writing under pseudonym), Tadjikistan's youth is a lost generation that are either unemployed, badly paid or forced to labour emigration. Around a million Tadjiks, most of which are below 30 years of age and have qualified educations, presently live in Russia according to the report. Others have moved to Belarus, Ukraine, Kazakhstan, Kyrgyzstan or Turkmenistan out of economic necessity, even though the work available rarely is permanent and always badly paid. The opportunities at home, however, are virtually non-existent and many of the emigrants have not only wives and children to support but also extended families.⁹⁶¹

More than 60 per cent of the country's unemployed are between the ages 16 and 29 and less than 40 per cent have a secondary education. The problems are worst in the strongly Islamic rural areas, where parents see no need in more than basic education, and especially for girls who marry at an increasingly low age. The unemployed are unwilling to go into tertiary education because of – among several reasons – the fees involved and because they do not think it will give them a better job anyway, since the good jobs are preserved for those with the right connections. The contrast between the rich and the poor has become enormous and is most striking among the young. It is only a very small percentage that enjoys good prospects in Tadjikistan. As a consequence, crime rates have increased, in particular among the young, with the largest rise in theft, fraud, armed assaults and drug-related crimes (the latter accounting for a fifth of all crimes committed).⁹⁶² The prospects for life improvements are very sombre among the overwhelming majority of the Tadjik population, which has suffered badly during the years of independence. Their confidence in either the future or the political leadership is similarly low.

Ethnically Related Threats

The ethnic composition of Tadjikistan

Tadjikistan is a multi-ethnic state and there are currently more than 100 nationalities living in the country. The titular population constitutes little more than two thirds of the population or approximately 69 per cent, according to an estimate made in 1998. Ethnic Uzbeks constitute a substantial minority group of 25 per cent of the entire population, whereas the second largest minority group – Russians – has decreased drastically and comprised less than three per cent in 1998, compared with the 7.6 per cent Russians living in Tadjikistan ten years earlier.⁹⁶³ In September 1995, Tadjikistan signed a protocol on double citizenship with Russia.⁹⁶⁴

⁹⁶⁰ State Statistical Agency under the Government of the Republic of Tadjikistan (1999) *Regiony Tadjikistana* (The Regions of Tadjikistan).

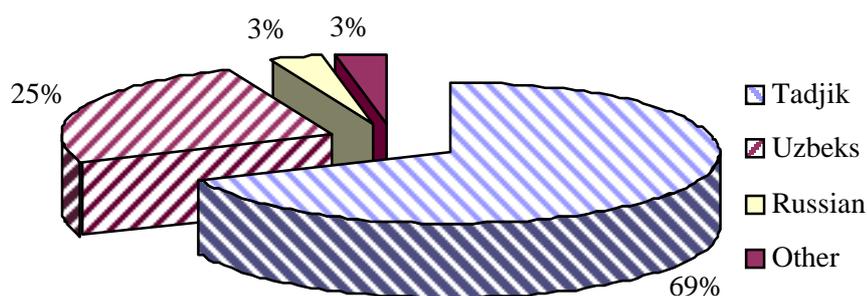
⁹⁶¹ Nazarova, Saida (2001) "Lost Tadjik Generation" in *Institute for War and Peace Reporting Central Asia*, No.58, 29 June, downloaded from the Internet 2 July 2001 on info@iwpr.net.

⁹⁶² Ibid.

⁹⁶³ State Statistical Agency under the Government of the Republic of Tadjikistan (1999) *Naseleniye Respubliki Tadjikistan* (The Population of the Republic of Tadjikistan), Dushanbe.

⁹⁶⁴ Petersson, Bo (1996) "Tadjikistan – ändlösa konflikter i en artificiell stat?" in Petersson, Bo & Svanberg, Ingvar (eds.) *Det nya Centralasien: fem forna sovjetrepubliker i omvandling*, Lund, Studentlitteratur, p.89.

Figure 2. Ethnic mix of Tadjikistan



Source: State Statistical Agency under the Government of the Republic of Tadjikistan (1999) *Naseleniye Respubliki Tadjikistan* (The Population of the Republic of Tadjikistan), Dushanbe.

The number of Ukrainians has also fallen dramatically and of the German group that has been living in Tadjikistan, only 200 people remained in 1998. The relative proportion of Tadjiks out of the total population has consequently grown by eleven percent during the same ten-year period. The Kyrgyz part of the population has remained at 1.3 per cent over the period of ten years from 1989 to 1998.⁹⁶⁵ According to an estimate made in July 2000 there were approximately 6.4 million people living in Tadjikistan.⁹⁶⁶ The different nationalities are spread unevenly across the regions. Ethnic Tadjiks dominate in each region, with the highest relative percentage in GBAO (89%) and the lowest in Dushanbe (38%). The largest number of Russians is, by contrast, found in Dushanbe and their lowest number is found in GBAO.⁹⁶⁷

Table 2. Ethnic mix by regions (%)

	<i>Tadjik</i>	<i>Uzbek</i>	<i>Russia</i> <i>n</i>	<i>Other</i>
<i>Dushanbe</i>	38	10	33	19,0
<i>Khatlon</i>	62,5	24,1	2,6	10,8
<i>Sogd</i>	56,9	31,3	6,5	5,3
<i>GBAO</i>	89	0,2	2,01	9,0

Source: State Statistical Agency under the Government of the Republic of Tadjikistan (1999) *Regiony Tadjikistana* (The Regions of Tadjikistan).

The fragile national identity in Tadjikistan in combination with the reinvigoration of alternative political and regional identities that took place with the collapse of communism were the underlying reasons that led to the social breakdown in Tadjikistan, even though particular events and the leadership contributed to the violent development. The Tadjik people became divided along lines of “ethnicity”, for example Uzbeks versus Tadjiks versus Pamiris; along regional lines, with the Khodjand and Kulob regions joining against the Katagerin,

⁹⁶⁵ State Statistical Agency under the Government of the Republic of Tadjikistan (1999) *Naseleniye Respubliki Tadjikistan* (The Population of the Republic of Tadjikistan), Dushanbe.

⁹⁶⁶ CIA (2000) *The World Factbook 2000. Tadjikistan*. (online), downloaded from the Internet 22 May 2001 from <http://www.odci.gov/cia/publications/factbook/geos/ti.html>.

⁹⁶⁷ State Statistical Agency under the Government of the Republic of Tadjikistan (1999) *Regiony Tadjikistana* (The Regions of Tadjikistan).

Qurganteppa and Pamir regions and along sociological lines, with the old communist elite versus the emerging intelligentsia.⁹⁶⁸

Tadjiks have usually been distinguished as the Iranian speakers of Central Asia in contrast to their Turkic-speaking neighbours. Even this linguistic identification is, however, relatively recent. During the Soviet years, Tadjiks in Uzbekistan were described as ethnic Uzbeks in the population statistics and the different peoples in Tadjikistan, who originally had separate identities identified by ethnographers or census takers, were gradually integrated into the Tadjik nationality. Most strikingly, the different Pamiri peoples, of whom many had lived in the Gorno-Badakhshon Autonomous region founded in 1925, did not longer exist according to the 1959 Soviet census. Despite this assimilation policy of the state, many of the Pamiris, who are Shiah Muslims in contrast to the otherwise primarily Sunni Tadjiks, insisted on speaking Russian rather than Tadjik (which they often spoke badly) in order to distinguish themselves from the ethnic Tadjiks.⁹⁶⁹ Today, Tadjik is the official language of the country, but Russian is widely used in government and business.⁹⁷⁰ As the Pamiri example shows, the group that has been identified as ethnic Tadjiks is not ethnically homogeneous in itself either. Apart from the Pamiri people that can be further divided into four main groups, there are several other small groups of peoples as well, contributing to the complexity of the composition of the Tadjik population.⁹⁷¹

Tadjikistan has been and still is ethnically heterogeneous, even though the Tadjik part of the population has grown in proportion to the other nationalities in the Tadjik republic during the years of independence. In the last Soviet census that was held in 1989, 3.1 million were listed as Tadjiks, 1.2 as Uzbeks and approximately 400,000 as “Europeans”. The republic is an artificial composition of contiguous areas in which Persian-speaking peoples dominated numerically. The two major Persian-speaking cities, Bukhara and Samarkand were, however, not included in this new republic but left in Uzbekistan when Tadjikistan was separated from the former country in 1929.⁹⁷² In total, there are approximately one million Tadjiks living in Uzbekistan today as a result of the arbitrarily drawn Tadjik borders. The Tadjik people are thus also divided as a result both of centuries-long displacements and mixing of ethnic groups in the region and several waves of Tadjik emigration. Apart from the diaspora in Uzbekistan, there are according to various estimates between three and eight million Tadjiks living in Afghanistan, several tens of thousands living in Iran and around 50,000 Tadjiks living in China compared to the nearly four and a half million Tadjiks living in Tadjikistan itself.⁹⁷³

Migration trends and refugees

⁹⁶⁸ Suny, Ronald Grigor (1999) “Southern Tears: Dangerous Opportunities in the Caucasus and Central Asia” in Menon, Rajan, Fedorov, Yuri E. & Nodia, Ghia (eds.) *Russia, the Caucasus and Central Asia: the 21st Century Security Environment*, New York, M. E. Sharpe, Inc., p.166.

⁹⁶⁹ Ibid.

⁹⁷⁰ CIA (2000) *The World Factbook 2000. Tadjikistan*. (online), downloaded from the Internet 22 May 2001 from <http://www.odci.gov/cia/publications/factbook/geos/ti.html>.

⁹⁷¹ Petersson, Bo (1996) “Tadjikistan – ändlösa konflikter i en artificiell stat?” in Petersson, Bo & Svanberg, Ingvar (eds.) *Det nya Centralasien: fem forna sovjetrepubliker i omvandling*, Lund, Studentlitteratur, p.78.

⁹⁷² Suny, Ronald Grigor (1999) “Southern Tears: Dangerous Opportunities in the Caucasus and Central Asia” in Menon, Rajan, Fedorov, Yuri E. & Nodia, Ghia (eds.) *Russia, the Caucasus and Central Asia: the 21st Century Security Environment*, New York, M. E. Sharpe, Inc., p.167.

⁹⁷³ Kuzmin, I.A. (2001) “The Causes and Lessons of the Civil War” in Vassiliev, Alexei *Central Asia: Political and Economic Challenges in the Post-Soviet Era*, London, Saqi Books, p.175.

The appearance of nationalistic and Islamic political parties and movements before the outbreak of the civil war caused severe strains on the interethnic relations in Tadjikistan. Of the 388,000 Slavs living in Tadjikistan in 1989 only 88,000 remained in Tadjikistan by the end of April 1993, according to the Federal Migration Service of Russia. The Slavic emigration has strengthened the negative impact on public health services, education and industry. In addition to the Slavic population, a considerable proportion of the “Russified” Tadjik intelligentsia has also left the country, depriving it of an important stabilising factor that was of particular significance in the fragmented Tadjik society with regional rather than national self-identification. A number of ethnic Uzbeks have also left Tadjikistan⁹⁷⁴ as well as almost all Jews, Armenians and Germans, as was shown earlier, whose communities comprised tens of thousands of people each before independence.⁹⁷⁵

Tadjikistan grew increasingly worried about the fear of a major influx of Afghan refugees after the American attacks against Afghanistan in October 2001. Tadjikistan has already had experience of a large number of Afghan refugees during the Afghan civil war and earlier feared that a new influx would increase the risk of an insurgent of radical Islam and drug smuggling. Tadjikistan has refused to allow several thousand of Afghan refugees to enter the country, despite UN urging and the fact that most of them are ethnic Tadjiks, claiming that there are armed rebels hiding among them. There are definitely chances that IMU members may try to return to Tadjikistan if they feel they are under too strong pressure in Afghanistan and there have already been reports to this end. Some parts of the border between Afghanistan and Tadjikistan are relatively easy to penetrate, the mountainous eastern parts of the border in particular, and IMU still has friends among their former allies from the Tadjik civil war who might help protect them. The threat of insurgents from radical groups now seems more urgent than a huge influx of refugees, but the regime most likely takes both these threats for real. Even though the position of the Northern Alliance seems stable for the moment in the north of the country, the power structures have by no means become consolidated. President Rakhmonov said in response to the American attacks on Afghanistan that he was not prepared to accept any refugees that might result from this crisis.⁹⁷⁶

National fragmentation and the civil war

The explanation for the outbreak of the civil war in Tadjikistan can partly be found in the conflict between the Communist conservatives and the opposition striving towards democratisation, but, as has already been mentioned, it also contained a regionalistic as well as an ethnic component. The communist elite had their strongest support in the Kulob and Leninabad (of which the capital is Khodjand) provinces, the latter being primarily inhabited by Uzbeks or people under Uzbek or Russian cultural influence with the Pamiris generally

⁹⁷⁴ Zviagelskaia, Irina D. & Naumkin, Vitali V. (1999) “Non-Traditional Threats, Challenges and Risks in the Former Soviet South” in Menon, Rajan, Fedorov, Yuri E. & Nodia, Ghia (eds.) *Russia, the Caucasus and Central Asia: the 21st Century Security Environment*, New York, M. E. Sharpe, Inc., p.236. According to the figures presented by I.A. Kuzmin, there were 388,000 Russians living in Tadjikistan in 1989 (of which approximately 60,000 remained by mid-1996) whereas the number of the *Russian-speaking population* was 495,000 in 1989, Kuzmin, I.A. (2001) “The Causes and Lessons of the Civil War” in Vassiliev, Alexei *Central Asia: Political and Economic Challenges in the Post-Soviet Era*, London, Saqi Books, p.179.

⁹⁷⁵ Kuzmin, I.A. (2001) “The Causes and Lessons of the Civil War” in Vassiliev, Alexei *Central Asia: Political and Economic Challenges in the Post-Soviet Era*, London, Saqi Books, p.179.

⁹⁷⁶ ICG (2001) *Central Asian Perspectives on 11 September and the Afghan Crisis*, Central Asia Briefing, Osh/Brussels 28 September, downloaded from the Internet 2 October 2001 on <http://www.crisisweb.org/projects/showreport.cfm?reportid=439>.

excluded from party positions. The traditional Communist leaders, who along with their Uzbek allies had a complex network of patrons and clients embedded in extended families, clans and local relations, promoted regional loyalties in search for support in the absence of a broader and more appealing programme.⁹⁷⁷ In addition to these factors, the increasingly worsened socio-economic conditions served as a catalyst for the erupting crisis.⁹⁷⁸

The opposition emerging during the late Soviet years was a broad political coalition of cultural revivalist intellectuals (the Rastokhez movement), the Pamiris, the Democratic Party of Tadjikistan and the Islamic Renaissance Party. The coalition was united by the fact that it represented those who had been excluded from the clientelistic region-based Communist Party system. The Tadjik intelligentsia generally identified more with their respective regions than with the whole Tadjik republic, and the democrats and nationalists were mainly recruited among the small university-educated intelligentsia outside the ruling Kulob and Khodjand districts. The opposition failed to win the presidency in the 1991 elections that returned the incumbent President Rakhmon Nabiev to power with a Soviet-style majority and the frustration over the impossibility of working through the electoral system resulted in demonstrations from March 1992 that were attacked by the Nabiev's troops.⁹⁷⁹

When the Communist elite started to show cracks, Nabiev agreed to form a coalition government with opposition members. The resulting government coalition lasted from May to November 1992. Dissatisfied with this solution, the more conservative communists organised a military effort with Kulabi militants in order to bring the coalition down and in the ensuing fighting an estimated number of 50,000 people were killed and an additional 10 per cent of the population became refugees. The Kulabi-Leninabad forces that had received aid and support from Russia and Uzbekistan managed to drive the coalition government from Dushanbe in November 1992 and established their own government headed by Emomali Rakhmonov. After the change in power, the Kulabis gradually moved to push out the Leninabadis from the positions of power and secure their own people in government. As a result, the Leninabadis, who govern a region inhabited by many people who identify themselves as Uzbeks, threatened to secede and join Uzbekistan.⁹⁸⁰

To summarise the picture, the turn from democratic struggle into a civil war employing regional and ethnic identities served to shatter what was left of the weak Tadjik national identity that the Soviet authorities had tried to establish. The collapse of the Soviet order invigorated and strengthened new and reconstructed regional and political identities with violent consequences in Tadjikistan.⁹⁸¹ The role of Islam has thus not played such an important role in the Tadjik conflict as might be thought by listening to, for example, the

⁹⁷⁷ Suny, Ronald Grigor (1999) "Southern Tears: Dangerous Opportunities in the Caucasus and Central Asia" in Menon, Rajan, Fedorov, Yuri E. & Nodia, Ghia (eds.) *Russia, the Caucasus and Central Asia: the 21st Century Security Environment*, New York, M. E. Sharpe, Inc., p.167.

⁹⁷⁸ Kuzmin, I.A. (2001) "The Causes and Lessons of the Civil War" in Vassiliev, Alexei *Central Asia: Political and Economic Challenges in the Post-Soviet Era*, London, Saqi Books, p.192.

⁹⁷⁹ Suny, Ronald Grigor (1999) "Southern Tears: Dangerous Opportunities in the Caucasus and Central Asia" in Menon, Rajan, Fedorov, Yuri E. & Nodia, Ghia (eds.) *Russia, the Caucasus and Central Asia: the 21st Century Security Environment*, New York, M. E. Sharpe, Inc., p.167-168.

⁹⁸⁰ *Ibid.*, p.168. Compare also with Kuzmin, I.A. (2001) "The Causes and Lessons of the Civil War" in Vassiliev, Alexei *Central Asia: Political and Economic Challenges in the Post-Soviet Era*, London, Saqi Books, p.179.

⁹⁸¹ Suny, Ronald Grigor (1999) "Southern Tears: Dangerous Opportunities in the Caucasus and Central Asia" in Menon, Rajan, Fedorov, Yuri E. & Nodia, Ghia (eds.) *Russia, the Caucasus and Central Asia: the 21st Century Security Environment*, New York, M. E. Sharpe, Inc., p.168.

Russian authorities who used the threat of Islam as a justification for their intervention in the Tadjik civil war. Even though the Islamic Renaissance Party had a leading role in the united opposition, antagonisms based on regional divisions and kinship relations were more important for the development of the civil war than religious divisions.⁹⁸² Nevertheless, the present regime in Tadjikistan has continued to use the threat of radical Islam in order to keep the opposition in a tight rein in the same way as Russia continues to use it for their continued strong presence in the country today. In its turn, this has strengthened the discontent within some Islamic opposition groups, especially since the party that takes part in the government as a representative of the Islamic opposition has become increasingly moderate, which does not always comply with the wishes of the more radical parts of the opposition. Consequently, religion has become an important factor in Tadjik politics today.

The local level and the importance of informal politics

Loyalties based on kinship relations and regional decent are very important in the Tadjik society. A unit that is of great importance in the Tadjik society is the *avlod*, which signifies a closely-knit group of people comprised of several families that together manage an estate and maintain their common heirlooms, etcetera. The more well known unit clan is comprised by several avlods put together. Decisions about the economy and, for example, disciplinary matters and punishments are taken and carried out by the clan. The common avlod-based ownership meant that Tadjikistan was not hit as severely as other parts of the Soviet Union by the collectivisation of the agricultural area, since it to a large extent already was managed collectively. The feudal organisation of kinship relations made it overall quite easy to adjust Tadjikistan to the communist centralised government and command structure. Unfortunately, however, the clientelistic system that contributes to mafia relations was also easily adjustable to the clan system structure.⁹⁸³

The range of the clans often coincided with the regional borders, giving rise to, among others, the Khodjand, Pamiri, Garm, Kulob and Qurganteppa clans, which continue to play perhaps even more important roles in the Tadjik society than the religious and ethnic identities.⁹⁸⁴ Regions play a very important role in Tadjikistan and the division between them is strong. The ethnically based regional divisions have already been indicated. The Pamiri people dominate in the autonomous region Gorno-Badakhshon in the eastern half of the country and the northern part of the country, with 27 per cent of the population and most of the country's industry is partly inhabited by ethnic Uzbeks and heavily influenced by Uzbekistan. Across the ethnic division lines, the urban intelligentsia has generally been devoted communist while the countryside has remained more traditional.⁹⁸⁵ One strong indicator of the importance of the regions is that inter-regional marriages are much more unusual than inter-ethnic.⁹⁸⁶

Regions also play an important role in Tadjik politics. This is illustrated by the fact that four of the power ministries – Internal Affairs, Defence National Security and Foreign Affairs –

⁹⁸² Petersson, Bo (1996) "Tadjikistan – ändlösa konflikter i en artificiell stat?" in Petersson, Bo & Svanberg, Ingvar (eds.) *Det nya Centralasien: fem forna sovjetrepubliker i omvandling*, Lund, Studentlitteratur, pp.90-91.

⁹⁸³ *Ibid.*, p.74.

⁹⁸⁴ *Ibid.*

⁹⁸⁵ Fairbanks, Ch., Starr, F.S., Nelson, C.R. & Weisbrode, K. (2001) *Strategic Assessment of Central Eurasia*, The Atlantic Council of the U.S., Central Asia-Caucasus Institute, SAIS, p.40.

⁹⁸⁶ Kuzmin, I.A. (2001) "The Causes and Lessons of the Civil War" in Vassiliev, Alexei *Central Asia: Political and Economic Challenges in the Post-Soviet Era*, London, Saqi Books, p.176.

have been consistently staffed with Kulob officials that support the president. Sogd officials have by contrast been almost totally excluded from central government positions. This consequently also illuminates the continued importance of patronage relations in the Tadjik society that can be found in the other countries of Central Asia as well.⁹⁸⁷ Since officials from Sogd (or Khodjand, as it was formerly known) had more or less monopoly on the leading posts in Tadjikistan during Soviet times, this could cause splits in the relations between Kulob and Sogd, which have formerly been united against the opposition.⁹⁸⁸

Religiously Related Threats

The religious composition of the population in Tadjikistan

Out of the total population in Tadjikistan 80 per cent are Sunni Muslims – who like the other Sunni Muslims in Central Asia follow the Hanafi branch of Islam – and 5 per cent Shia Muslims.⁹⁸⁹ The Shiites in Tadjikistan are Ishmaelites, or believers of Seven Imam Shiism, as it is also called, which is a small branch of Shiism. The Tadjik, Uzbek and Kyrgyz parts of the population are mostly Muslim and the small percentage of remaining Russians in Tadjikistan is Christian Orthodox.⁹⁹⁰ Even the Tadjiks living outside Tadjik borders, for example in Afghanistan, are Sunni Muslims. Since the last Soviet years there has been an Islamic revival in Tadjikistan that has been strong also among the young part of the population. The country today has its own mufti (it was earlier under the rule of the great mufti in Tashkent) and from the mere number of 17 Mosques that existed in Tadjikistan in the early 1980s, the number had risen to 128 ten years later.⁹⁹¹ However, this does not imply that the majority in Tadjikistan favoured the development of a fundamentalist Islamic state. According to a Russian sociological poll conducted in different districts of Tadjikistan in 1992, 75 to 91 per cent of the respondents preferred a secular path of development for the newly independent Tadjik state and only five percent supported the Islamic model.⁹⁹²

The Ishmaelite Shiites in Tadjikistan are closely connected to the world Ishmaelite leadership under the head of Agha Khan IV and its numerous centres and funds. The Agha Khan Fund in Switzerland has for example supplied quite substantial amounts of humanitarian aid to the population in Badakhshon since 1992. When Agha Khan visited Tadjikistan in May 1995, he was accompanied by President Emomali Rakhmonov to Badakhshon where he called on the Ishmaelites in Tadjikistan for national reconciliation and cooperation with the authorities in Dushanbe. There have been Christian communities in Tadjikistan since the third century AD and there are today more than 30 churches and prayer houses of, primarily, the Russian

⁹⁸⁷ Akbarzadeh, Sh. (2000) "The Plague of Regionalism and Patronage in Tadjikistan", 6 December, Biweekly briefing from *Central Asia – Caucasus Analyst*, downloaded from the Internet 29 May 2001 on http://www.cacianalyst.org/Dec_6_2000/Plague_of_regionalism.html.

⁹⁸⁸ Petersson, Bo (1996) "Tadjikistan – ändlösa konflikter i en artificiell stat?" in Petersson, Bo & Svanberg, Ingvar (eds.) *Det nya Centralasien: fem forna sovjetrepubliker i omvandling*, Lund, Studentlitteratur, p.92.

⁹⁸⁹ CIA (2000) *The World Factbook 2000. Tadjikistan*. (online), downloaded from the Internet 22 May 2001 from <http://www.odci.gov/cia/publications/factbook/geos/ti.html>.

⁹⁹⁰ *Statistics about the Religious Situation in Tadjikistan* (2000) Almaty, Republic Agency of Statistics.

⁹⁹¹ Petersson, Bo (1996) "Tadjikistan – ändlösa konflikter i en artificiell stat?" in Petersson, Bo & Svanberg, Ingvar (eds.) *Det nya Centralasien: fem forna sovjetrepubliker i omvandling*, Lund, Studentlitteratur, pp.73-74.

⁹⁹² Kuzmin, I.A. (2001) "The Causes and Lessons of the Civil War" in Vassiliev, Alexei *Central Asia: Political and Economic Challenges in the Post-Soviet Era*, London, Saqi Books, p.195.

orthodox church, but also of other branches of Christianity in Tadjikistan, including Evangelist Baptists. The republic also has two synagogues.⁹⁹³

Radical Islam in Tadjikistan

Of the Pamiri part of the population living in the Gorno-Badakhshon region, a majority is Ishmaelite Shiah Muslim. Many of the supporters of the Islamic extremist and nationalist opposition political parties are found among the population in this region. The area around river Surhob (see figure 1) is especially influenced by Muslim extremism.⁹⁹⁴ The threat of radical Islam is, however, often exaggerated and there are several examples that overt or declared struggle against the perceived dangerous threat of Islamic extremism may have counterproductive results. In 1998, the anti-Islamic “troika” joining Tadjikistan with Russia and Uzbekistan, signed an agreement to fight Islamic fundamentalism and extremism that was a hasty and ill-judged document that could only give rise to deep resentment among the Muslim population to whom it must seem anti-Islamic.⁹⁹⁵

There are also some positive measures taken as a result of the civil war that may decrease the risk for potential religious conflicts. One of the achievements of the establishment of peace in the country since the signing of the peace records in 1997 has been that political parties enjoy freedom under the constitution. The leader of the Islamic Rebirth Party said in a speech 2001 that the party was functioning in 54 districts and had not yet met any serious resistance in these districts, even though some officials within the local authorities create obstacles for the party’s representatives.⁹⁹⁶ This is, however, the exception to the rule. Tadjikistan is undoubtedly the only country in Central Asia that allows religious parties, but it allows only this particular party, the Islamic Rebirth Party, that has been very moderate since the power-sharing agreement that ended the civil war in 1997.⁹⁹⁷

Extremist organisations in Tadjikistan

There are a number of illegal Islamic extremist organisations operating in Tadjikistan like, for example, the *Brothers-Muslims* and *Hizbollah* organisations. The criminal terrorist *Sodirov group* led by Rezvon Sodirov was liquidated in 1997. Another extremist Islamic group that has been very active in Tadjikistan is the *Muslokanov’s Band* that has been involved in terror activities in Dushanbe according to the Ministry of International Affairs.⁹⁹⁸

⁹⁹³ Ibid., p.181.

⁹⁹⁴ Human Rights Watch, downloaded from the Internet on <http://www.hrw.org>; *Interview with Akhmad T. Kakhorov*, Attaché of the Embassy of the Republic of Tadjikistan in Kazakhstan, conducted by Olga Melkova, Almaty, 13 January 2001; Olimova, S. (1999) “Political Islam and Conflict in Tadjikistan”, *Central Asia and the Caucasus*, Vol.5, No.4. and *Statistics about the Religious Situation in Tadjikistan (2000) Almaty, Republic Agency of Statistics*.

⁹⁹⁵ Zviagelskaia, Irina D. & Naumkin, Vitali V. (1999) “Non-Traditional Threats, Challenges and Risks in the Former Soviet South” in Menon, Rajan, Fedorov, Yuri E. & Nodia, Ghia (eds.) *Russia, the Caucasus and Central Asia: the 21st Century Security Environment*, New York, M. E. Sharpe, Inc., p.234.

⁹⁹⁶ Voice of the Islamic Republic of Iran: “Opposition leader criticizes military operation near Tadjik capital – Iran radio”, 29 June 2001 in *BBC Monitoring Global Newslines – Central Asia Political*, 30 June 2001, from BBC Monitoring topic@mon.bbc.co.uk

⁹⁹⁷ ICG (2001) *Central Asian Perspectives on 11 September and the Afghan Crisis*, Central Asia Briefing, Osh/Brussels 28 September, downloaded from the Internet 2 October 2001 on <http://www.crisisweb.org/projects/showreport.cfm?reportid=439>.

⁹⁹⁸ Ahmetov, S. (1998) “Conflicts in Tadjikistan”, *Ethnic and Regional Conflicts in Eurasia*, Vol.3, pp.75-93; Aksali, P. (1998) “Islam as a ‘Common Bond’ in Central Asia: Islamic Renaissance Party and the Afghan

The alleged presence of the IMU in Tadjikistan has international implications as it worries Uzbekistan, the traditional main target of the IMU. Tashkent's claims that the IMU retains training bases in the Tavildara district in central Tadjikistan have been denied by the Tadjik authorities. In the summer of 2001, Uzbek President Islam Karimov tried to interfere in Tadjik domestic affairs by demanding that the government in Tadjikistan should relieve the Minister of Emergency Situations and Civil Defence, Mirzo Ziyo, from his post because of his connection with IMU leader Juma Namangani. The Tadjik authorities responded that they neither intend to appoint nor dismiss ministers at Karimov's suggestion, but did not seem to take much further notice of the Uzbek demand.⁹⁹⁹

In the beginning of May 2000, the country's special services had already arrested more than 70 members of the radical religious party Hizb-ut-Tahrir that year in the northern Leninobod region and in a number of districts around Dushanbe. Almost all of them were accused of spreading "subversive literature" and calling for the overthrow of the existing order by force. A spokesman from the security ministry commented these figures by saying that the increase of the supporters of this "ultra radical party" posed a serious threat to the country's security. According to his figures, the adherents of Hizb-ut-Tahrir, who could only be counted in dozens in 1999, had grown to several thousands during 2000. The danger emanating from the party did not only consist on their reliance on force in their struggle against the existing regimes in Central Asia, but also on their fanatical striving to create a caliphate modelled on a purely Islamic medieval state in the region. The spokesman said that this was further emphasised by the close links between the leaders of Hizb-ut-Tahrir and the leadership of the Taliban and the Wahhabites.¹⁰⁰⁰

Economically Related Threats

Illegal trade

The conflict-ridden and internally unstable Tadjik state has been unable to keep the illicit manufacture and transportation of drugs under control. Opium poppy and hemp plants have been grown on plantations located in areas outside the government control. As a result of the civil and clan conflicts that have driven thousands of Tadjiks to emigrate to Afghanistan, the country has become one of the main centres in Central Asia for both production of drugs and transportation of drugs from Afghanistan. According to Tadjikistan's Ministry of the Interior, approximately 200 tons of different narcotic substances were transported annually through Tadjik territory in the mid-1990s – a figure equivalent to about 40 per cent of the whole volume of the illegal drug trade in Russia. The authorities were only able to apprehend a small part of this volume. Officials of the Russian Federal Border Service have stated that they believe that no more than five to ten per cent of the shipment of drugs destined for Russia is

Mujahedin", *Central Asia Survey*, Vol.2, No.17, pp.267-284; Burkhanov, K.N. (2000) *Extremism in Central Asia*, Almaty, Agance France Press; Olimova, S. (1999) "Political Islam and Conflict in Tadjikistan", *Central Asia and the Caucasus*, Vol.5, No.4 and *Statistics about the Religious Situation in Tadjikistan (2000)* Almaty, Republic Agency of Statistics.

⁹⁹⁹ Voice of the Islamic Republic of Iran: "Uzbek president urges Tadjik authorities to sack opposition minister, Iran radio", 12 August 2001 in *BBC Monitoring Global Newslines – Central Asia Political*, 14 August 2001, from BBC Monitoring topic@mon.bbc.co.uk.

¹⁰⁰⁰ ITAR-TASS news agency: "Official says activities of religious party a threat to security", 28 April 2000 in *BBC SWB SU/3829 G/1*, 2 May 2000.

intercepted at the Tadjik-Afghan border.¹⁰⁰¹ The Afghan-based drug trade also played an important role in the actual civil war as a means of financing the opposition.¹⁰⁰² Consequently, the head of the Russian border troops in Tadjikistan told journalists in May 2001 that he considered the drug trade as one the most serious threats to Tadjikista. He had taken measures to strengthen the weaker parts of the Tadjik-Afghan border in order to try to meet the expected increase in the drug trade after the opium poppy has been gathered in the late spring.¹⁰⁰³ During the previous spring 2000, ten times more opium was reported to arrive across the porous border into Tadjikistan from Afghanistan than during the same period previous year and dozens of smugglers were killed.¹⁰⁰⁴ This picture is not likely to change as long as the border remains this porous since the Northern Alliance that are now in control of northern Afghanistan have had less scruples concerning both growing and smuggling of drugs than the Taliban.

The violence associated with the drug trade is also reported to have worsened, which indicates the problems the border guards have in controlling the mountainous border area. Tadjiks living in the border area report that they have become victims of Afghan drug dealers who rob them, kidnap family members and even have murdered in attempts to make the local residents help them in their business. The situation has become so difficult that many residents are leaving the area.¹⁰⁰⁵ Whereas the illicit drug trade from Southwest Asia to Russia and Western Europe thus is a major and increasing problem for Tadjikistan, the illicit cannabis cultivation in Tadjikistan is reportedly mostly for domestic consumption. Furthermore, the CIA World Factbook for the year 2000 reports that the opium poppy cultivation had become negligible in 1998 as the result of a government eradication programme.¹⁰⁰⁶

Summary and Conclusions

The civil war that erupted almost immediately after Tadjikistan gained independence has coloured the post-Soviet period to a high extent and in many ways. The internal affairs have naturally been almost totally conditioned by the civil war that increased the tensions between different ethnic and religious groups, clans and regions, which were latent also during the Soviet era. Tadjikistan has the largest number of different nationalities in the Central Asian region and a number of quite large ethnic minority groups, though no other minority group comes close to the ethnic Uzbeks in size. However, the country has become more homogeneous as a result of the civil war when many people not belonging to the titular population chose to leave the country, especially among the Russians and the other Slavic population. The number of ethnic Tadjiks living outside Tadjikistan remains large, in

¹⁰⁰¹ Zviagelskaia, Irina D. & Naumkin, Vitali V. (1999) "Non-Traditional Threats, Challenges and Risks in the Former Soviet South" in Menon, Rajan, Fedorov, Yuri E. & Nodia, Ghia (eds.) *Russia, the Caucasus and Central Asia: the 21st Century Security Environment*, New York, M. E. Sharpe, Inc., p.228-229.

¹⁰⁰² Kuzmin, I.A. (2001) "The Causes and Lessons of the Civil War" in Vassiliev, Alexei *Central Asia: Political and Economic Challenges in the Post-Soviet Era*, London, Saqi Books, p.193.

¹⁰⁰³ *Nezavisimaya gazeta*, 29 May 2001, p.5.

¹⁰⁰⁴ Rashid, Ahmed (2001) "Central Asia Summary: Recent Developments in Uzbekistan, Tadjikistan", *Eurasianet Eurasia Insight*, 17 January, downloaded from the Internet 11 October 2001 on <http://www.eurasianet.org/departments/insight/articles/eav011701.shtml>.

¹⁰⁰⁵ RFE/RL Research Report (2001) "Tadjikistan: Border district victimized by Afghan drug trade", 13 July, in *Central Asia Online 141*, 14-21 July 2001.

¹⁰⁰⁶ CIA (2000) *The World Factbook 2000. Tadjikistan*. (online), downloaded from the Internet 22 May 2001 from <http://www.odci.gov/cia/publications/factbook/geos/ti.html>.

particular in Afghanistan and Uzbekistan, which puts pressure on the fragmented nation. Some observers have spoken of the possibility for “Afghanisation” in Tadjikistan if the country’s border against Afghanistan would collapse, according to others the country is ethnically fragmented already. The Pamiri people in eastern Tadjikistan stand out as the most discriminated part of the population. Apart from belonging to another ethnicity and having their own languages, they are also Ishmaelite Shia Muslims in contrast to the usually Sunni Muslim Tadjiks.

There has been an Islamic revival in the country, but according to a survey made in 1992, the majority of the population wanted the independent country to be a secular state. The threat from “Islamic extremism” is consequently often exaggerated and used as a means to control the opposition. Several of the supporters of movements that are considered as radical are found in the Gorno-Badakhshon region in eastern Tadjikistan where the Pamiri people live, that simultaneously is the most populous region and has the highest rate of unemployment in the country. The presence of the IMU in Tadjikistan, who are thought to be hiding in the mountainous eastern region of the country, has been debated but the alleged presence has nevertheless created problems for Tadjikistan. After the U.S. attacks on the Taliban and the stepped-up campaign by the Northern Alliance, the IMU and other Islamic opposition groups are likely to return to Tadjikistan, especially to the Gorno-Badakhshon region and the Pamir mountains in central Tadjikistan where it is easy to hide. In addition, these areas are inhabited by many people who are supportive to their cause and who could be potential recruits, especially in the light of the present hard socio-economic conditions. There have already been reports that IMU-members have returned to Tadjikistan in order to find shelter and new members to continue the movement’s struggle to establish Islamic regimes in Central Asia.

The incumbent Tadjik regime consequently has reasons to continue worrying about Islamic radical activities launched from Tadjik soil, even if it might take a while for the IMU to regain their strength. As long as the socio-economic conditions continue to be hard for most of the population, the possibilities for radical Islamic groups to hide and recruit in Tadjikistan will probably continue to be relatively easy, especially considering the effort needed in order to ensure adequate border security. The same conclusion can be drawn concerning the illegal drug trade that is also likely to continue to create a huge problem for Tadjikistan, despite the decision taken by the Taliban to stop the production of drugs in Afghanistan.

Kyrgyzstan

Figure 3. Regional differences



-  - The north of Kyrgyzstan contains a large part of the Christian population in the country, thus contributing to a lower number of Sunni Muslims.
-  - The majority of the population in Kyrgyzstan is Sunni Muslim.
-  - Islam holds a particularly important role in the south of Kyrgyzstan. The area has numbers of Wahhabi adherents and activities of different extremist organisations.

Introduction

Kyrgyzstan is a small Central Asian country and was formerly one of the poorest republics in the former Soviet Union. The country declared its independence for the first time in 1991 after the Soviet Union had collapsed. Kyrgyzstan is situated in a volatile region and surrounded by powerful neighbours. The direct borders of the country are with China in the east and southeast, Kazakhstan in the north, Uzbekistan in the west and Tadjikistan in the south of the country, which also means a close proximity to Afghanistan. As an economically as well as military weak state Kyrgyzstan has tried to diversify its contacts with as many countries as possible, but the contacts with Russia and the other countries in the CIS area remain by far the most important. The direct neighbours in Central Asia have gained an increasingly important

role in Kyrgyzstan during the last years and the significance of neighbouring China has also grown, especially in the economic field.

The important relations with Russia and Uzbekistan are not only economically conditioned, but are further exacerbated by the significant ethnic majorities the two countries have on Kyrgyz territory. Potential violent ethnic conflicts, both internally and externally, have been identified as security risks for Kyrgyzstan by many analysts and the government has tried quite hard to retain the relatively calm ethnic situation in the country during the years of independence. Other “new” security threats, acknowledged by both analysts and Kyrgyz authorities, are posed by real or perceived threats emanating from religious extremism and radical Islamic groups, the increasing illegal drug trade and the continuing unstable situation in neighbouring Tadjikistan.

After independence from the Soviet Union in 1991 Kyrgyzstan quickly gained a reputation as an “island of democracy” located in a sea of dictatorships and countries ravaged by civil strife. The president of Kyrgyzstan since the country’s independence, Askar Akaev, early made clear his commitment to reform, political as well as economic. Kyrgyzstan can hardly be described as a liberal democracy and the political space has been increasingly restricted during the last years. Nevertheless, within the relatively inhospitable context of Central Asia, Kyrgyzstan retains a considerable degree of social pluralism and a more open political space than any of its Central Asian neighbours.¹⁰⁰⁷

Ethnic Strife, Military Capabilities and Constraints

At the time the country gained independence, Kyrgyzstan contemplated having no military at all and debated the issue of forming a military as late as March 1992. When Akaev eventually did establish national control of the former Soviet military units on Kyrgyz territory in June that same year, he emphasised that this would be a small and inexpensive military. Kyrgyzstan has to a large extent been dependent on Russia for assistance in creating its own military and has signed a number of agreements with Russia. For example, in July 1994 the countries’ defence ministers signed a military agreement about Russian military assistance to Kyrgyzstan and the training of Kyrgyz officers in Russia.¹⁰⁰⁸

The Russian-Kyrgyz military relationship has, however, centred on border protection. As early as October 1992 the two countries signed an agreement according to which Kyrgyzstan delegated the responsibility of protecting its state borders with China to Russian border troops. This was followed up by an agreement in April 1994, specifying the terms of recruitment and military service of Kyrgyz citizens serving in the Russian border troops deployed on the territory of Kyrgyzstan. Russia has covered 80 per cent and Kyrgyzstan 20 per cent of the expenses for the troops. Russia has undertaken to help Kyrgyzstan form its own border troops, but the time- table for the transition period in which this was to take place was

¹⁰⁰⁷ Anderson, John (1999) *Kyrgyzstan: Central Asia’s Island of Democracy*, Amsterdam, Harvard Academic Publishers, p.23-24.

¹⁰⁰⁸ Kangas, Roger D. (1996) “With an Eye on Russia, Central Asian Militaries Practice Cooperation”, *Transition*, Vol.2, No.16, 9 August, pp.16-18.

not specified in detail.¹⁰⁰⁹ Today, Kyrgyzstan's total armed forces number around 9,000 men, of whom 6,600 serve in the army and 2,400 in the air force. In addition, there are approximately 5,000 paramilitary troops.¹⁰¹⁰ The military expenditures were one per cent of GDP in 1999.¹⁰¹¹

Within the CIS framework, a decision was taken by the member states of the Collective Security Treaty in May 2001 on setting up a collective rapid reaction force in Central Asia because of the tense situation in the region and the continued war in Afghanistan that will have its headquarters in Bishkek.¹⁰¹² These troops, specialised in fighting international terrorism and extremism, will be more than 1,500 men strong. In addition to these forces, the Shanghai Cooperation Organisation (SCO) has decided to set up an anti-terrorist centre that will also be deployed in Kyrgyzstan.¹⁰¹³ In May 2001 President Akaev declared that it was necessary to reform the armed forces in the country in order to be able to meet the dangers posed by the increasing activity of international terrorism and extremism. According to Akaev, 55 Kyrgyz soldiers had died in the year 2000 in battles with Islamic fighters.¹⁰¹⁴

The territorial vagueness of the border regions of the Central Asian states has given rise to inter-ethnic tensions between Kyrgyzstan and its Central Asian neighbours, sharpened by the deficit of water and land resources. The border between Kyrgyzstan and Uzbekistan has not yet been delimited and there are from 70 to 100 disputable parts according to different sources. The delimitation process has only just started – only 250 km out of the 1300 km long Kyrgyz-Uzbek border has so far been delimited.¹⁰¹⁵ The two countries base their border demarcation claims on maps from different periods¹⁰¹⁶ and insufficient border protection also gives rise to tensions between the two countries. The most sensitive issue in this respect is that some extremists have considered Kyrgyzstan as the best transit way to the Uzbek part of the Ferghana valley.¹⁰¹⁷ The territorial disputes mean that Uzbekistan has some claims on the Kyrgyz towns of Osh, Uzgen, Jalal-Abad and Karavan.¹⁰¹⁸

¹⁰⁰⁹ Kasenov, Oumirserik (1998) "Central Asia: national, regional and global aspects of security" in Allison, Roy & Bluth, Christoph (eds.) *Security Dilemmas in Russia and Eurasia*, London, Royal Institute of International Affairs, p.194.

¹⁰¹⁰ The International Institute for Strategic Studies (IISS) (2001) *The Military Balance 2001/2002*, London, Oxford University Press, p.166.

¹⁰¹¹ CIA (2000) *The World Factbook 2000. Kyrgyzstan*. (online), downloaded from the Internet 15 June 2001 from <http://www.odci.gov/cia/publications/factbook/geos/kg.html>.

¹⁰¹² Kyrgyz Radio first programme: "CIS military delegation visiting Kyrgyz capital", 9 July 2001 in *BBC Monitoring Global Newslines – Central Asia Political*, 13 July 2001, from BBC Monitoring topic@mon.bbc.co.uk.

¹⁰¹³ Kyrgyz Radio first programme: "Kyrgyz head in live phone-in 12 July – full version", 12 July 2001 in *BBC Monitoring Global Newslines – Central Asia Political*, 14 July 2001, from BBC Monitoring topic@mon.bbc.co.uk.

¹⁰¹⁴ *Nezavisimaya gazeta*, 30 May 2001, p.5.

¹⁰¹⁵ Kozhikhov, A.G. (2001) *Ochagi mezhetnicheskogo napryazheniya v Central'noi Azii (The foci of inter-ethnic tension in Central Asia)*, May, Almaty, Zentr Vneshnei Politiki i Analiza (Centre of Foreign Policy and Analysis), pp.2-3.

¹⁰¹⁶ Nobel, P. (2001) "Kyrgyz-Uzbek Tensions", *The Times of Central Asia*, Vol.3, No.26, 28 June, p.5.

¹⁰¹⁷ Kozhikhov, A.G. (2001) *Ochagi mezhetnicheskogo napryazheniya v Central'noi Azii (The foci of inter-ethnic tension in Central Asia)*, May, Almaty, Zentr Vneshnei Politiki i Analiza (Centre of Foreign Policy and Analysis), pp.3-6.

¹⁰¹⁸ Tabor, Merrick (1996) "Kirgizistan – en demokratisk sjunkande ö i Centralasien?" in Petersson, Bo & Svanberg, Ingvar (eds.) *Det nya Centralasien: fem forna sovjetrepublikker i omvandling*, Lund, Studentlitteratur, p.65.

The enclaves are a further source for tensions between Kyrgyzstan and Uzbekistan. There are two Uzbek enclaves on Kyrgyz territory, Sokh and Shakhimardan, and Kyrgyzstan has a small village situated on Uzbek territory.¹⁰¹⁹ The Sokh enclave is a particular source of pressures from Uzbekistan on Kyrgyzstan and there are subdivisions of Uzbek armed forces stationed on the enclave's territory.¹⁰²⁰ Sokh is only accessible by road through Kyrgyz territory – in the same way as the Kyrgyz village Barak has no direct links to the Kyrgyz mainland – and the situation is further complicated by the fact that the majority of the population in Sokh are ethnic Tadjiks. The efforts to solve these problems have so far not been fully successful and there is a risk that the tensions could grow further.¹⁰²¹

The demarcation of the border between Kyrgyzstan and Tadjikistan is also in its early stages. The most complicated situation has arisen in relation to the border between Kyrgyzstan's southern Batken region and the north part of the Sogd region in Tadjikistan (Isfara). The density of the population in the Tadjik Isfara area is the highest in the whole country, which increases the tension over the distribution of the land in the area. There is one Tadjik enclave situated on Kyrgyz territory that belongs to the Isfara district in the Sogd region of which 95 per cent of the inhabitants are ethnic Tadjiks and five per cent ethnic Kyrgyz. This enclave is not controlled by any official power, which creates a favourable growing ground for radical thoughts. During the Batken events in 1999 and 2000, when armed forces of the IMU (Islamic Movement of Uzbekistan) invaded the Batken region, they tried to access the Vorukh enclave. A possible explanation for this is that anti-Uzbek (or rather anti Uzbek President Islam Karimov) feelings dominate the enclave.¹⁰²²

President Akaev and Chinese President Ziang Zemin have signed agreements about the demarcation of their common border in 1996 and 1999. Neither of the agreements has so far been ratified and the second agreement has not even been discussed in parliament. A demarcation of the border was nevertheless initiated in June 2001, but was subsequently suspended. The parliament has refused to recognise the decision made on the demarcation of the Kyrgyz-Chinese border, saying it is illegal. According to the agreement, Kyrgyzstan will cede 125,000 hectare of territory to the big eastern neighbour.¹⁰²³ The part of the border between the Kyrgyz Talas region and Kazakhstan has also been disputed.¹⁰²⁴ China has also been worried that Kyrgyzstan might harbour ethnic Uighurs on its territory who wish to see an autonomous Uighur state in China's eastern Xienjiang province. The Kyrgyz authorities have

¹⁰¹⁹ Kozhikhov, A.G. (2001) *Ochagi mezhetnicheskogo napryazheniya v Central'noi Azii (The firesides of inter-ethnic tension in Central Asia)*, May, Almaty, Zentr Vneshnei Politiki i Analiza (Centre of Foreign Policy and Analysis), p.6 and Nobel, P. (2001) "Kyrgyz-Uzbek Tensions", *The Times of Central Asia*, Vol.3, No.26, 28 June, p.5. There are around 45,000 people living in the two Uzbek enclaves respectively and some 600 people living in the Kyrgyz village.

¹⁰²⁰ Kozhikhov, A.G. (2001) *Ochagi mezhetnicheskogo napryazheniya v Central'noi Azii (The firesides of inter-ethnic tension in Central Asia)*, May, Almaty, Zentr Vneshnei Politiki i Analiza (Centre of Foreign Policy and Analysis), pp.3-4.

¹⁰²¹ Nobel, P. (2001) "Kyrgyz-Uzbek Tensions", *The Times of Central Asia*, Vol.3, No.26, 28 June, p.5.

¹⁰²² Kozhikhov, A.G. (2001) *Ochagi mezhetnicheskogo napryazheniya v Central'noi Azii (The firesides of inter-ethnic tension in Central Asia)*, May, Almaty, Zentr Vneshnei Politiki i Analiza (Centre of Foreign Policy and Analysis), pp.7-11.

¹⁰²³ Obshchestvenny Reytng: "Police break up protest over Kyrgyz-Chinese border agreement", 28 June 2001 in *BBC Monitoring Global Newslne – Central Asia Political*, 29 June 2001, from BBC Monitoring topic@mon.bbc.co.uk.

¹⁰²⁴ Tabor, Merrick (1996) "Kirgizistan – en demokratins sjunkande ö i Centralasien"? in Petersson, Bo & Svanberg, Ingvar (eds.) *Det nya Centralasien: fem forna sovjetrepublikker i omvandling*, Lund, Studentlitteratur, p.65.

however been anxious not provoke China about this issue. An organisation of ethnic Uighurs that was charged with political activity – promoting the secession of Northwest China, which is mainly inhabited by Uighurs – was later suspended. After a change in leadership it was however re-registered.¹⁰²⁵

The battles Kyrgyzstan has had to fight twice with the terrorists that have invaded the Batken region in order to reach Uzbekistan have strengthened the leadership's opinion that deeper security cooperation is needed in Central Asia. For example, President Akaev has stated that the country has a standing offer of military help to Uzbekistan.¹⁰²⁶ The Batken region was the scene for violent conflict already prior to independence in 1989 and 1990 and even if the incursions in 1999 and 2000 were minor, the region remains a potential trouble spot for the Kyrgyz authorities and more rebel incursions have been expected.¹⁰²⁷

There have been some minor skirmishes involving the IMU also during the summer 2001 that some observers and officials in Kyrgyzstan view as a sign that the fighters are trying new tactics. According to these sources, which include one Defence Ministry official, IMU supporters have infiltrated Kyrgyzstan in order to be able to carry out hit-and-run raids with the purpose to embroil Kyrgyzstan in a broader regional conflict. The 2001 raids occurred closer to the Kyrgyz-Uzbek border regions. After rapid attacks on government post and military outposts the militants have reportedly mingled with the local inhabitants who are sympathetic to their cause in order to avoid detection. The observers believe that Kyrgyzstan is no longer solely seen as a transit route to Uzbekistan, but a military objective in its own right. The recognition by the Kyrgyz authorities that IMU militants are operating from inside Kyrgyzstan has helped improve the relations between Kyrgyzstan and Tadjikistan, since Kyrgyzstan has formerly accused Tadjikistan of sheltering IMU fighters.¹⁰²⁸

The volatility of the region stems from its complex political geography with numerous border crossings and the “archipelago” enclaves belonging to neighbouring Uzbekistan and Tadjikistan. The communications with other countries or regions are hindered by poor roads and border crossings, including across these territorial enclaves. Even between major towns it is often not possible to travel faster than 20-50 kilometres per hour due to the poor road conditions. From the town of Batken, the closest major city in Kyrgyzstan, Osh, is nearly twice as distant as major cities in Tadjikistan (Khodjand) and Uzbekistan (Qoqand). As a result, even the flow of goods and people within the country is affected by interstate political relations and border tensions. Sections of border between the Batken region and Uzbekistan have been fortified or mined and the small number of officially operating border crossings is

¹⁰²⁵ Karatnycky, Adrian, Motyl, Alexander & Graybow, Charles (eds.) (1999) *Nations in Transit 1998: Civil Society, Democracy and Markets in East Central Europe and the Newly Independent States*, New Brunswick and London, Transaction Publishers, pp.327-329.

¹⁰²⁶ Interfax news agency: “Islamist rebels invade southern Kyrgyzstan”, 11 August 2000 and Interfax news agency: “Kyrgyzstan offers military aid to Uzbekistan”, 10 August 2000 in *BBC SWB SU/3917 G/2*, 12 August 2000. See also Tadjik Television first channel: “Heads of state pledge no ‘concessions to terrorists and extremists’”, 21 April 2000 in *BBC SWB SU/3822 G/2-3*, 24 April 2000.

¹⁰²⁷ UNDP Kyrgyzstan (2000) *Preventive Development in the South of Kyrgyzstan. The Batken Crisis and Beyond*, Bishkek, downloaded from the Internet 1 July 2001 on <http://www.undp.kg/english/batken.html>.

¹⁰²⁸ Koichiev, Arslan (2001) “Skirmishes suggest IMU is changing tactics”, *Eurasianet.org*, 8 June, downloaded from the Internet 16 August 2001 on www.eurasianet.org.

often closed unpredictably. Kyrgyzstan also plans to install new control points and fences on its border with Tadjikistan.¹⁰²⁹

Due to the earlier neglect and sad economic state of the region, the rebel insurgents in the region over the past two years have found support among the local population of Batken. These mainly ethnic Kyrgyz people living in the remote villages are not particularly disposed to militancy or radical Islamism, but have appreciated that the fighters have treated them fairly and paid them well for food unlike the remote government they view as corrupt and largely disinterested in the region. As an answer to these tendencies, the local authorities have developed contingency plans to forcibly relocate people who are deemed as inclined to be disloyal in the event of new incursions. Very likely, such forced relocations would only further strengthen the discontent in Batken.¹⁰³⁰

The participation in the CAU has contributed to an increased co-ordination on how to deal with the regional security problems and the threat of terrorism in particular. Apart from the establishment of a council for military cooperation the members have also formed common peacekeeping forces. Kyrgyzstan's Foreign Minister at the time, Rosa Otunbayeva, described the forming of the latter as a proof that the Central Asian countries are searching for reliable guaranties of national security outside the CIS framework. To further regional military cooperation, Kyrgyzstan has signed bilateral security agreements with both Tadjikistan and Uzbekistan, besides the bilateral military agreements the country has with Russia.¹⁰³¹

Kyrgyzstan also has military cooperation with countries outside the former Soviet sphere. The country was approved as a member and entered into the Partnership for Peace (PFP) programme in 1996, with a particular interest in disaster control and emergency services. In addition to the military cooperation that has taken place with China within the framework of the Shanghai-Five cooperation, Kyrgyzstan has signed bilateral accords with China in 1996.¹⁰³² China has given military aid to Kyrgyzstan following the incursions of Islamic militants. In January 2001, China provided Kyrgyzstan with three cargo planes full of military equipment for the Kyrgyz army.¹⁰³³ The Shanghai-Five group that also was formed in 1996 in order to strengthen confidence-building measures in the military field has been important as a means to enhance the stability and good neighbourly contacts between the member states.¹⁰³⁴ How and if the military cooperation will proceed in the new SCO-cooperation form that also includes Uzbekistan is however uncertain. In June 2001, the Turkish government decided to

¹⁰²⁹ UNDP Kyrgyzstan (2000) *Preventive Development in the South of Kyrgyzstan. The Batken Crisis and Beyond*, Bishkek, downloaded from the Internet 1 July 2001 on <http://www.undp.kg/english/batken.html>.

¹⁰³⁰ ICG (2000) *Incubators of Conflict: Central Asia's Localized Poverty and Social Unrest*, Asia Report No.16, Osh/Brussels 8 June, downloaded from the Internet 1 July 2001 on http://www.crisisweb.org/projects/asia/centralasia/reports/A400306_08062001.pfd.

¹⁰³¹ Kangas, Roger D. (1996) "With an Eye on Russia, Central Asian Militaries Practice Cooperation", *Transition*, Vol.2, No.16, 9 August, pp.16-18 and Kasenov, Oumirserik (1998) "Central Asia: national, regional and global aspects of security" in Allison, Roy & Bluth, Christoph (eds.) *Security Dilemmas in Russia and Eurasia*, London, Royal Institute of International Affairs, p.200.

¹⁰³² Kangas, Roger D. (1996) "With an Eye on Russia, Central Asian Militaries Practice Cooperation", *Transition*, Vol.2, No.16, 9 August, p.19.

¹⁰³³ Rashid, Ahmed (2001) "Namangani's Foray Causes Concern Among Central Asian Governments", *Eurasianet Eurasia Insight*, 2 May, downloaded from the Internet 2 October 2001 on <http://www.eurasianet.org/departments/insight/articles/eav020501.shtml>

¹⁰³⁴ Kasenov, Oumirserik (1998) "Central Asia: national, regional and global aspects of security" in Allison, Roy & Bluth, Christoph (eds.) *Security Dilemmas in Russia and Eurasia*, London, Royal Institute of International Affairs, p.190.

grant the Kyrgyz armed forces 866 billion Turkish liras of which the major part would come in the form of equipment. Turkey has provided similar military aid to the Kyrgyz army in 1999.¹⁰³⁵

Socio-Economic Factors

Kyrgyzstan's economic performance has been very weak during the country's independence. Kyrgyzstan has few major resources apart from gold and water, which has resulted in dependency on Russia and, to a lesser extent, on Uzbekistan in order to meet the country's needs for energy and food. Aware of the cost of this dependency, the Kyrgyz leadership has tried to launch market reforms and diversify the country's economic activity. President Akaev's search for external investments and economic aid has been quite successful, but not enough to offset the lingering dependency on Russia and the Central Asian neighbours.¹⁰³⁶ According to World Bank data, Kyrgyzstan is one of the four CIS countries that have the lowest income levels with a GNP per capita of USD 380 in 1998.¹⁰³⁷

The Russian newspaper *Kommersant*, making an evaluation of Akaev's ten years in power in October 2000, claimed that the democratic course of Akaev was not only and so much conditioned by his personal conviction as by pragmatism. In a poor country almost devoid of profitable natural resources and with very little arable land, an authoritarian regime would simply not be profitable. By becoming Central Asia's "island of democracy" Kyrgyzstan has been granted international credits that have enabled them to concentrate on their economic reforms, which has contributed to an improved standard of living in Kyrgyzstan, even though it is still not in parity with its comparatively rich neighbours Kazakhstan and Uzbekistan.¹⁰³⁸

In 2001 the government launched a ten-year socio-economic programme and judged by the first six months of 2001 the initial results of this programme was promising as the inflation was down to 5.9 per cent during this period. GDP rose by 6.7 per cent during the same period, which was seen as a result of the development in the agrarian sector. The value of the currency (the som) also increased, which contributed to a growth of real incomes.¹⁰³⁹ Agriculture contributes to approximately 40 per cent of the country's GDP. The agricultural sector is thus very important in the Kyrgyz economy and continues to be a key factor in poverty reduction. The Kyrgyz manufacturing industry accounts for approximately 18 per cent of GDP.¹⁰⁴⁰

Kyrgyzstan is party to a number of regional economic cooperation arrangements. The membership in the CAU has developed the economic links with Kazakhstan, Tadjikistan and

¹⁰³⁵ Kabar news agency: "Turkey to provide aid to Kyrgyz army", 26 June 2001 in *BBC Monitoring Global Newslines – Central Asia Political*, 28 June 2001, from BBC Monitoring topic@mon.bbc.co.uk.

¹⁰³⁶ Webber, Mark (1997) *CIS Integration Trends. Russia and the Former Soviet South*, London, Royal Institute of International Affairs' p.30-31.

¹⁰³⁷ Department for International Development (2000) *Central Asia and South Caucasus*, Strategy Paper, October, p.3.

¹⁰³⁸ Sborov, Afanasii: "Poslednii demokrat Azii", *Kommersant*, No.201, 26 October 2000, p.11.

¹⁰³⁹ Kyrgyz Radio first programme: "Kyrgyz head in live phone-in 12 July – full version", 12 July 2001 in *BBC Monitoring Global Newslines – Central Asia Political*, 14 July 2001, from BBC Monitoring topic@mon.bbc.co.uk.

¹⁰⁴⁰ Economist Intelligence Unit (EIU) (2000) *Country Profile: Kyrgyz Republic*, Dartford, Redhouse Press Ltd., p.15.

Uzbekistan.¹⁰⁴¹ Kyrgyzstan was early reported to have begun orienting its trade away from Russia and towards Kazakhstan and Uzbekistan as a result of the membership in the CAU.¹⁰⁴² Uzbekistan plays a dominating economic role in the southern part of Kyrgyzstan and much of the country is dependent on Uzbekistan for delivery of natural gas. This dependency has meant that Uzbek President Islam Karimov has been able to gain political ends by shutting pipelines or adjusting the terms of delivery.¹⁰⁴³

In 1996 Kyrgyzstan joined Belarus, Kazakhstan and Russia in the Customs Union shortly before the signing of the quadrilateral group arrangement that provided for the creation of a single customs territory with one common tariff also for trade with third countries.¹⁰⁴⁴ In October 2000, Kyrgyzstan signed the treaty transforming the Customs Union, which by then also included Tadjikistan, into the Eurasian Economic Union with an extended economic cooperation programme and binding decisions on all members.¹⁰⁴⁵ Kyrgyzstan is also party to a large number of international economic organisations, including the World Bank, the IMF and the EBRD. In addition, it has joined the Asian Development Bank, the Economic Cooperation Organization (ECO) and the Islamic Bank.¹⁰⁴⁶ Moreover, as a result of Askar Akaev's efforts to increase Kyrgyzstan's international economic cooperation, the country was adopted as a member of the WTO in October 1998.¹⁰⁴⁷

Regional economic profiles

The most populous region in Kyrgyzstan, Osh, has both an industrial and agricultural economic profile, but agriculture is the largest sector in the region and accounts for more than 60 per cent of the GDP.¹⁰⁴⁸ The city Jalal-Abad within the Jalal-Abad region is one of the main industrial and cultural centres in southern Kyrgyzstan.¹⁰⁴⁹ The northern Chu region that has the capital city Bishkek as its administrative centre is the economically most developed part of Kyrgyzstan. In addition to the highly developed industry and an extensive

¹⁰⁴¹ Jonson, Lena (1998) *Russia and Central Asia. A New Web of Relations*, London, Royal Institute of International Affairs, pp.10-11.

¹⁰⁴² Webber, Mark (1997) *CIS Integration Trends. Russia and the Former Soviet South*, London, Royal Institute of International Affairs' p.59.

¹⁰⁴³ Brill Olcott, Martha (1997) "Kyrgyzstan" in Glenn E. Curtis (ed.) *Kazakstan, Kyrgyzstan, Tadjikistan, Turkmenistan and Uzbekistan: Country Studies*, Washington, Library of Congress Cataloging-in-Publication Data, p.180.

¹⁰⁴⁴ Webber, Mark (1997) *CIS Integration Trends. Russia and the Former Soviet South*, London, Royal Institute of International Affairs' p.55.

¹⁰⁴⁵ Burke, Justin (2000) "CIS Customs Union States Create New Eurasian Economic Union", *Eurasianet.org* 11 October, downloaded from the Internet 11 November 2001 on <http://www.eurasianet.org/resource/kyrgyzstan/hypermail/200010/0016.html>.

¹⁰⁴⁶ Brill Olcott, Martha (1997) "Kyrgyzstan" in Glenn E. Curtis (ed.) *Kazakstan, Kyrgyzstan, Tadjikistan, Turkmenistan and Uzbekistan: Country Studies*, Washington, Library of Congress Cataloging-in-Publication Data, pp.178-179.

¹⁰⁴⁷ Kyrgyz Republic's Ministry of External Trade and Industry (1998), *Accession of the Kyrgyz Republic to the WTO. Membership Protocol*, 23 October, downloaded from the Internet 11 October 2001 on <http://www.mvtp.kg/english/kyrwtw/protocol.html>.

¹⁰⁴⁸ BISNIS (1997) *General Investment Opportunities in Osh Oblast*, June, downloaded from the Internet 30 June 2001 on <http://www.bisnis.doc.gov/bisnis/country/kgosh.4htm>.

¹⁰⁴⁹ BISNIS (1997) *Investment Opportunities in Jalal-Abad Oblast*, June, downloaded from the Internet 30 June 2001 on <http://www.bisnis.doc.gov/bisnis/country/kgosh.1htm>.

communications network in the region, Chu has a favourable geographic position on the border to Kazakhstan.¹⁰⁵⁰

The Batken province suffers from the worst social and economic conditions in Kyrgyzstan. When the area became a separate region it was seen as a means to increase the attention for the regions social and economic problems in order to diminish the tendency for support of anti-government violence. Due to neglect during the Soviet era the area that today is covered by the Batken region was left with minimal economic and political resources when the country became independent despite the presence of several industrial plants. The principal sources of income in the region are farming and cattle herding, but many important or essential goods are very hard or impossible to find. The Batken region's share of national industrial production is a mere 2.5 per cent.¹⁰⁵¹

The unemployment rate in this economically most exposed region in the country ranges from 50 to 80 per cents in different parts of the region. NGO sources in Batken have reported that 95 per cents of the high school graduates in the region are not able to find employment. More than 60 per cent of the region's population say they do not have enough to eat and an even larger number sees this as a cause for social tensions. Many of those living on the meagre state salaries are paid several months late. A survey made of the region by the UNDP in 2000 showed that lack of food, the growing unemployment and poverty, the increased drug addiction in the region as well as corruption and bribery in the state structure are the factors most negatively affecting the socio-economic situation and overall stability in the Batken region.¹⁰⁵²

Standards of living, employment and prospects for life improvement

Poverty is a serious problem in Kyrgyzstan. Worsening job opportunities in the non-rural economy today increasingly exacerbates the poverty in the country. Like in the rest of Central Asia, the economic collapse, conflicts, rising inequalities and non-payment of wages contribute to the deteriorating social conditions in the country. According to an estimate made by the World Bank, 13 per cent of the Kyrgyz population are poor compared to the standard one dollar-a-day absolute poverty line. At the two dollar-a-day level the rate of poor increases to 49 per cent.¹⁰⁵³ According to the EBRD level of four dollars-a-day, the figure was 76 per cent in the 1999 estimate.¹⁰⁵⁴ Largely explained by Akaev's tireless search for foreign relations and partners and by his own personality and reputation, Kyrgyzstan has however become the largest per capita recipient of foreign aid in the CIS area.¹⁰⁵⁵ The officially registered level of unemployment was around five per cent between 1995 to 1997, but

¹⁰⁵⁰ Mukambaeva, I. (1999) *Kyrgyzstan: Chui Oblast Overview*, December, downloaded from the Internet 15 June 2001 on <http://www.bisnis.doc.gov/bisnis/country/991215chui.htm>.

¹⁰⁵¹ UNDP Kyrgyzstan (2000) *Preventive Development in the South of Kyrgyzstan. The Batken Crisis and Beyond*, Bishkek, downloaded from the Internet 1 July 2001 on <http://www.undp.kg/english/batken.html>.

¹⁰⁵² Ibid.

¹⁰⁵³ Department for International Development (2000) *Central Asia and South Caucasus*, Strategy Paper, October, p.20.

¹⁰⁵⁴ European Bank for Reconstruction and Development (1999) *Transition Report 1999. Ten Years of Transition*, London, EBRD, p.236.

¹⁰⁵⁵ Brill Olcott, Martha (1997) "Kyrgyzstan" in Glenn E. Curtis (ed.) *Kazakhstan, Kyrgyzstan, Tadjikistan, Turkmenistan and Uzbekistan: Country Studies*, Washington, Library of Congress Cataloging-in-Publication Data, pp.178-179.

unofficially, the unemployment level has been estimated to have risen to around 20 per cent during the second half of the 1990s.¹⁰⁵⁶

The majority of the population has been largely passed by in the reform process, in particular the rural inhabitants. The rural part of the population remains dependent upon local bosses and has had to vote for them or their protégés in the elections. The disillusionment with the new political rights was further reinforced by the growth of corruption, which extended far beyond the scope of the communist period.¹⁰⁵⁷ Explaining the continued popularity of the communist party – despite the excesses of their past – Russian researcher V.F. Kovalskii writes that against the background of the present economic collapse, unemployment, corruption, mass impoverishment of the working people and extreme social polarisation, the population tends to recall the past with increasing nostalgia.¹⁰⁵⁸ After the communist victory in the parliamentary elections in February 2000, a presidential spokesman also ascribed this victory to the fact that parts of the population still feels nostalgic for Soviet times.¹⁰⁵⁹ Considering the relative stability and welfare the people enjoyed during the Soviet times and taken into account the expectations at least some people originally had on the new democratic regime this is hardly surprising.

In his inauguration speech on 9 December 2000, Akaev said that the main task for the new term in office was to ensure that people were not disappointed in their hopes, that there was real equality among the people and that all Kyrgyz citizens could enjoy a worthy life. He also wanted to ensure that corruption and bureaucracy did not stop the creative and stable progress of the country or undermine the public morale and belief in the future.¹⁰⁶⁰ Nevertheless, the economic situation has declined increasingly in Kyrgyzstan for the main part of the population during the years of independence at the same time as a few people have gained enormous fortunes. The socio-economic conditions have thus generally declined in relation to those in the Soviet era and the prospects for a better life in the close future look small for large parts of the population.¹⁰⁶¹

Ethnically Related Threats

The ethnic composition of Kyrgyzstan

Kyrgyzstan is one of the ethnically most exposed countries in Central Asia with a complex and potentially unstable composition of the population. Apart from the Russian minority in the country, Kyrgyzstan also has a significant Uzbek minority. Tensions between this latter

¹⁰⁵⁶ European Bank for Reconstruction and Development (2000) “Employment, skills and transition”, *Transition Report*, London, Hyway Printing Group, p. 181.

¹⁰⁵⁷ Anderson, John (1999) *Kyrgyzstan: Central Asia's Island of Democracy*, Amsterdam, Harvard Academic Publishers, pp.60-61.

¹⁰⁵⁸ Kovalskii, V.F. (2001) “Democratic Declarations and Political Realities” in Vassiliev, Alexei *Central Asia: Political and Economic Challenges in the Post-Soviet Era*, London, Saqi Books, p.245.

¹⁰⁵⁹ Interfax news agency: “Kyrgyz Presidential Aide Expects Newly Elected Parliament to be ‘Centrist’.”, *BBC Monitoring Former Soviet Union – Political*, 22 February 2000, downloaded from the Internet on Reuters Business Briefing 24 April 2001.

¹⁰⁶⁰ Kyrgyz Radio first programme: “President Akaev Inaugurated, Says Main Task Prosperity”, 9 December 2000 in *BBC SWB SU/4021 G/3*, 12 December 2000.

¹⁰⁶¹ Compare for example with Kyrgyz Radio first programme: “Poll Shows Most Townspeople Uncertain about Their Future”, 2 May 2000 in *BBC SWB SU/3831 G/3*, 4 May 2001.

minority and ethnic Kyrgyzs led to violence in the Osh region as early as 1990, giving rise to worries about future Uzbek interventions among the Kyrgyz authorities. Furthermore, Kyrgyzstan has a sensitive border against China inhabited by ethnic Uighurs. The country's most sensitive border is the one towards Tadjikistan, where the major rebel activity that is located on the border to the Kyrgyz Osh region has led to inflows of refugees, weapons and drugs to Kyrgyzstan. President Akaev has also warned about the threat that fundamentalist Afghan rebels might penetrate the region via Tadjikistan.¹⁰⁶² A reasonable and balanced nationality policy is therefore, in the words of one author, a priority task and the guarantee of its future.¹⁰⁶³

A December 1993 law conferred citizenship on anyone who was a resident of Kyrgyzstan on December 15, 1991, when independence was declared.¹⁰⁶⁴ The constitution of Kyrgyzstan "guarantees legal equality to its citizens irrespective of their national, racial, religious or linguistic affiliation". The importance of equality of the economic and political rights of the citizens irrespective of their ethnicity have been constantly repeated in speeches by the president and other high-ranking officials both at home and abroad. It is not possible to find even a hint of national discrimination in the pro-government publications. The inter-ethnic disputes that actually do exist are explained by the economic crisis, which undoubtedly is a contributing factor, and the political ignorance of individual citizens.¹⁰⁶⁵ The preservation of civic harmony and ethnic peace has thus been a major concern of President Akaev, an objective that has not always been easy to combine with the nation building process. In line with this commitment, Akaev vetoed a draft land law that seemed to reserve land ownership for ethnic Kyrgyz and held several meetings with various national cultural centres who in turn committed themselves to work together to preserve civic concord.¹⁰⁶⁶

There are more than 90 nationalities of which 12 is made up of more than 20.000 people living on Kyrgyz territory. The titular population accounts for 52.4 per cent of the total population in Kyrgyzstan that was estimated to 4,685,230 million in July 2000. The ethnic Russians constitute the second largest group comprising 18 per cent of the population. Kyrgyzstan also has a substantial Uzbek minority of 12.9 per cent of the population, whereas the ethnic Ukrainians and Germans make up 2.5 and 2.4 per cent of the population respectively.¹⁰⁶⁷

¹⁰⁶² Webber, Mark (1997) *CIS Integration Trends. Russia and the Former Soviet South*, London, Royal Institute of International Affairs' p.30.

¹⁰⁶³ Kovalskii, V.F. (2001) "Democratic Declarations and Political Realities" in Vassiliev, Alexei *Central Asia: Political and Economic Challenges in the Post-Soviet Era*, London, Saqi Books, p.247.

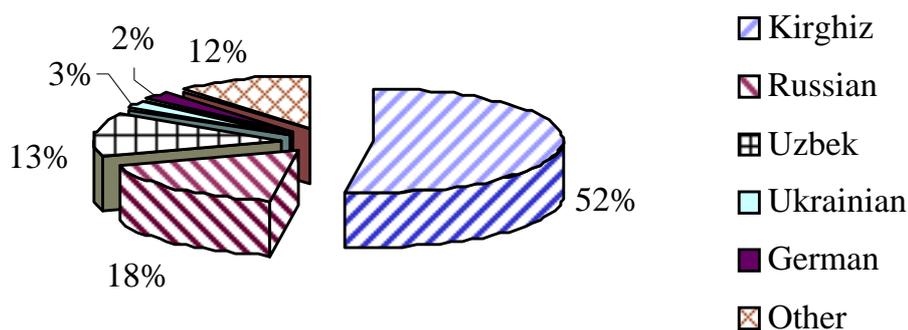
¹⁰⁶⁴ Karatnycky, Adrian, Motyl, Alexander & Graybow, Charles (eds.) (1999) *Nations in Transit 1998: Civil Society, Democracy and Markets in East Central Europe and the Newly Independent States*, New Brunswick and London, Transaction Publishers, p.333.

¹⁰⁶⁵ Kovalskii, V.F. (2001) "Democratic Declarations and Political Realities" in Vassiliev, Alexei *Central Asia: Political and Economic Challenges in the Post-Soviet Era*, London, Saqi Books, p.248.

¹⁰⁶⁶ Anderson, John (1999) *Kyrgyzstan: Central Asia's Island of Democracy*, Amsterdam, Harvard Academic Publishers, p.42.

¹⁰⁶⁷ CIA (2000) *The World Factbook 2000. Kyrgyzstan*. (online), downloaded from the Internet 15 June 2001 from <http://www.odci.gov/cia/publications/factbook/geos/kg.html>.

Figure 4. Ethnic mix of Kyrgyzstan



Source: CIA (2000) *The World Factbook 2000. Kyrgyzstan*. (online), downloaded from the Internet 15 June 2001 from <http://www.odci.gov/cia/publications/factbook/geos/kg.html>.

The problems for the state raised by different groups have varied considerably. Even if the Uzbek-Kyrgyz relations perhaps have greater potential for arousing bloody conflict, the retention of the German and Slavic population who have played a key role in economic and administrative management was of greater immediate concern for the authorities. The Uzbek population in the south felt that, despite of making up a substantial proportion of the population, their position within the new Kyrgyzstan remained weak and they have been suspicious of the authorities in Bishkek. They were granted few administrative positions, felt that their language was being neglected and experienced growing tensions with the ethnic Kyrgyz.¹⁰⁶⁸

In the southern Osh, Batken and Jalal-Abad regions ethnic Uzbeks on average make up 27 per cent of the inhabitants and their connections with the Uzbek motherland are strong. The Uzbek language is more widely used than the Kyrgyz language in these regions and the population can be described as culturally and mentally closer to Uzbekistan than Kyrgyzstan. This influence means that most of the ethnic Uzbeks living in the southern part of Kyrgyzstan rather identify with Tashkent than with Bishkek.¹⁰⁶⁹ Nevertheless, the Kyrgyz leadership has been particularly concerned to meet the needs of the Russian and Russian-speaking population who totalled around a quarter of the population in 1989. From the late 1980s this group experienced increasing pressures within Kyrgyzstan stemming in particular from the growth of nationalism. Among those who chose not to emigrate there was considerable debate on how to handle the situation. In the south many opted for passivity and a large part of the Russians living there did not participate in the 1995 parliamentary elections.¹⁰⁷⁰

In the northern regions and the capital, where there are many areas with Russians making up the majority of the population, the situation was more complex. Some groups concentrated on improving the rights of the Russians in Kyrgyzstan, for example by supporting the

¹⁰⁶⁸ Anderson, John (1999) *Kyrgyzstan: Central Asia's Island of Democracy*, Amsterdam, Harvard Academic Publishers, pp.42-44.

¹⁰⁶⁹ Kozhikhov, A.G. (2001) *Ochagi mezhetnicheskogo napryazheniya v Central'noi Azii (The firesides of inter-ethnic tension in Central Asia)*, May, Almaty, Zentr Vneshnei Politiki i Analiza (Centre of Foreign Policy and Analysis), pp.4-6.

¹⁰⁷⁰ Anderson, John (1999) *Kyrgyzstan: Central Asia's Island of Democracy*, Amsterdam, Harvard Academic Publishers, pp.45-46.

parliamentary deputies who defended the interests of ethnic Russians. Though they acknowledged that the rights of Russians were better defended here than elsewhere in Central Asia, Slavic activists claimed that the team around the president was inclined to an increasingly ethnocratic policy which turned a blind eye to the abuse of minority rights. The language question has been up for intensive and extensive debate several times during the years. In 1996 the Constitutional Court in principle approved a change in two of the articles of the Constitution so as to read: in the Kyrgyz Republic Russian may be used as an official language”, but the parliament later rejected the proposed legislation.¹⁰⁷¹

The earlier version of the constitution did not mention the Russian language at all and the fifth article of the constitution reads that the state language of the republic shall be Kyrgyz. This was despite the fact that in January 1992 over 52 percent of the population stated that Russian was there everyday language of communication and in practice Russian remains the primary means of communication within the republic, especially in the north and among the administrative elite.¹⁰⁷² In preparation of Akaev’s first meeting with the Russian President Vladimir Putin in July 2000, Akaev nevertheless signed an edict finally making Russian an official language of Kyrgyzstan.¹⁰⁷³

The grave economic situation is probably the main reason for the manifestation of interethnic hatred in Kyrgyzstan. The data of a sociological poll conducted in the summer of 1995 among the inhabitants of the Osh region showed that most of the inhabitants of this region, where Kyrgyz, Russian, Uzbek and Tatar citizens live closely together, considered the situation of inter-ethnic relations to be unstable. Of 1,800 respondents, 58 percent said that they had been victims of nationalist abuse and discrimination and 55 percent considered the grave economic situation to be the main reason for nationalist hatred. It is also indicative that more than 50 percent of the respondents believed that the government, president and local administration could change the situation.¹⁰⁷⁴ Other examples of the socio-economically related ethnic issues can be found in a survey made of the municipality Üch-Korgon in the Batken region. Residents of Üch-Korgon who formerly used to work in a factory in neighbouring Uzbekistan were fired because of their nationality and among those who appealed for land from the local authorities in the municipality the ethnic Kyrgyz were given land, whereas the ethnic Uzbeks were not.¹⁰⁷⁵

The employment problem also plays an important role in ethnic relations. Surveys have shown that it is the unemployed that on many occasions replenish the ranks of nationalist and religious extremists. The government has consequently focused on solving the unemployment

¹⁰⁷¹ Anderson, John (1999) *Kyrgyzstan: Central Asia’s Island of Democracy*, Amsterdam, Harvard Academic Publishers, pp.46-49 and Karatnycky, Adrian, Motyl, Alexander & Graybow, Charles (eds.) (1999) *Nations in Transit 1998: Civil Society, Democracy and Markets in East Central Europe and the Newly Independent States*, New Brunswick and London, Transaction Publishers, p.333-334.

¹⁰⁷² Anderson, John (1999) *Kyrgyzstan: Central Asia’s Island of Democracy*, Amsterdam, Harvard Academic Publishers, p.49 and Kovalskii, V.F. (2001) “Democratic Declarations and Political Realities” in Vassiliev, Alexei *Central Asia: Political and Economic Challenges in the Post-Soviet Era*, London, Saqi Books, pp.247-248.

¹⁰⁷³ Kommersant: “Kyrgyz President ‘Drunk with Success’ after Moscow Visit”, *BBC Monitoring Former Soviet Union – Political*, 28 July 2000 downloaded on the Internet on Reuters Business Briefing 1 August 2000.

¹⁰⁷⁴ Kovalskii, V.F. (2001) “Democratic Declarations and Political Realities” in Vassiliev, Alexei *Central Asia: Political and Economic Challenges in the Post-Soviet Era*, London, Saqi Books, pp.248-249.

¹⁰⁷⁵ UNDP Kyrgyzstan (2000) *Preventive Development in the South of Kyrgyzstan. The Batken Crisis and Beyond*, Bishkek, downloaded from the Internet 1 July 2001 on <http://www.undp.kg/english/batken.html>.

problem, which it considers a detonator of socio-political instability, and a trend towards an increase in the employment level is already visible.¹⁰⁷⁶ Some associations have been formed to defend the interests of ethnic minorities, like the Slav Association *Soglasie* (Accord) and the Uzbek *Adolat*.¹⁰⁷⁷ Akaev thus seems to have tried to build a society in which different nationalities can live without infringing on each other as citizens of the Kyrgyz Republic – something he to a considerable extent also can be said to have succeeded with so far even though the issue remains sensitive. Yet it is a fact that the representatives of the “titular” nationality, who compose little more than half of the population, are in a privileged position in almost all aspects of life, while the titular minorities suffer the consequences of covert discrimination.¹⁰⁷⁸

Migration trends and refugees

Many ethnic Russians have left Kyrgyzstan since the country gained independence. According to Irina Zviagelskaia and Vitaly Naumkin, the reasons for the emigration of thousands of ethnic Russians from Kyrgyzstan since the country gained independence differs little from those common to the rest of Central Asia as well. They list the main reasons as being the introduction of the Kyrgyz language as the only official language; the pressure on the labour market by the growing native population; the flow of the rural population into the towns and the Russians’ rapid and frightening marginalisation. The anti-Russian actions by Kyrgyz youths in 1991 that were not fully rebuffed by the government and the bloody conflict between Kyrgyz and Uzbeks in Osh that showed the inability of the administration to ensure the security of their citizens are also contributing factors.¹⁰⁷⁹

More than 400,000 people of different nationalities – Russians, Kazakhs, Tatars, Turkmen and Uzbeks – left Kyrgyzstan between 1989 and 1993 and more than 100,000 Russian-speaking citizens in Kyrgyzstan emigrated in 1993 alone. This exodus of the primarily Slavic part of the population caused severe problems for the economy. The ultra-nationalist mood of the early years of independence has however gradually reduced over the years. President Akaev and the government have taken several measures to stop the forced introduction of the Kyrgyz language and have also opened the first Russian-language university in Central Asia. These rather slow measures have contributed to decreasing the emigration from Kyrgyzstan.¹⁰⁸⁰ According to one report, most Russians that had emigrated from Kyrgyzstan returned again after the Russian language had been granted official status as second language.¹⁰⁸¹ Kyrgyzstan thus forms the exception in Central Asia when it comes to population size, since it is the only country in the region that has experienced an acceleration

¹⁰⁷⁶ Kovalskii, V.F. (2001) “Democratic Declarations and Political Realities” in Vassiliev, Alexei *Central Asia: Political and Economic Challenges in the Post-Soviet Era*, London, Saqi Books, p.249.

¹⁰⁷⁷ Capisani, Giampaolo R. (2000) *The Handbook of Central Asia. A Comprehensive Survey of the New Republics*, London, I. B. Tauris Publishers, p.210.

¹⁰⁷⁸ Kovalskii, V.F. (2001) “Democratic Declarations and Political Realities” in Vassiliev, Alexei *Central Asia: Political and Economic Challenges in the Post-Soviet Era*, London, Saqi Books, p.247-250.

¹⁰⁷⁹ Zviagelskaia, Irina D. & Naumkin, Vitali V. (1999) “Non-Traditional Threats, Challenges and Risks in the Former Soviet South” in Menon, Rajan, Fedorov, Yuri E. & Nodia, Ghia (eds.) *Russia, the Caucasus and Central Asia: the 21st Century Security Environment*, New York, M. E. Sharpe, Inc., pp.237-238.

¹⁰⁸⁰ *Ibid.*, p.238.

¹⁰⁸¹ *Kirgizistan*. Länder i fickformat nr. 914 (1999), Stockholm, Utrikespolitiska institutet, p.13.

of the population growth during the second half of the 1990s to 8.6 per cent compared with 2.8 per cent between 1991-1995.¹⁰⁸²

¹⁰⁸² Topilin, Anatoliy & Shul'ga, Vassiliy (2001) "Commonwealth of Independent States: Problems and Potentialities of Sociodemographic Development", *Central Asia and the Caucasus*, Vol.9, No.3, p.166.

Table 3. Evolution of the resident population by nationality

	Total Population			% of total population		
	1979	1989	1999	1979	1989	1999
Kyrgyz Republic- Total population						
Kyrgyz	1687382	2229663	3128147	47.9	52.4	64.9
Uzbeks	426194	550096	664950	12.1	12.9	13.8
Russians	911703	916558	603201	25.9	21.5	12.5
Dungans	26661	36928	51766	0.8	0.9	1.1
Ukrainians	109324	108027	50442	3.1	2.5	1.0
Uigurs	29817	36779	46944	0.8	0.9	1.0
Tatars	71744	70068	45438	2.0	1.6	0.9
Kazakhs	27442	37318	42657	0.8	0.9	0.9
Tadjiks	23209	33518	42636	0.7	0.8	0.9
Turks	5160	21294	33327	0.1	0.5	0.7
Germans	101057	101309	21471	2.9	2.4	0.4
Koreans	14481	18355	19784	0.4	0.4	0.4
Others	88658	97842	72175	2.5	2.3	1.5

Source: National Statistical Committee of the Kyrgyz Republic (1999) *Results of the First National Population Census of the Kyrgyz Republic*, downloaded from the Internet 15 June 2001 on <http://nsc.bishkek.su/Eng/Home/census.pfd>.

Central Asia media review has however reported in 2001 that the emigration from Kyrgyzstan has increased again, with three times as many Russians leaving the country in 2000 compared to the previous year. According to a poll conducted among these emigrants the reasons for leaving Kyrgyzstan seems to have changed in relation to those described above as well. The poll listed the main reasons for leaving Kyrgyzstan as anxiety over the future of the emigrants' children, economic uncertainty, low salary and dissatisfaction with social welfare. Interestingly enough, discrimination against Russian-speaking people was the second least stated reason for wanting to leave Kyrgyzstan.¹⁰⁸³ It is not only the ethnic Russians that are leaving Kyrgyzstan, but many members of the titular ethnic population are also contributing to the increasing emigration to Russia in an attempt to improve their economy. Of the 700,000 former Kyrgyz citizens estimated to be living in Siberia and the Urals, the absolute majority are ethnic Kyrgyz. Together they compose a substantial part of Kyrgyzstan's population capable of work, which must be considered in relation to the severe shortage of skilled workers in the country.¹⁰⁸⁴

Kyrgyzstan has accepted a number of refugees from Tadjikistan. The Kyrgyz government has however together with UNHCR carried out measures to repatriate Tadjik citizens to Tadjikistan since 1998. Of the around 10,000 refugees from Tadjikistan living in Kyrgyzstan by mid-2001, 90 per cent were ethnic Kyrgyz out of which 80 per cent intended to stay in Kyrgyzstan and acquire Kyrgyz citizenship, which will further increase the relative share of

¹⁰⁸³ Central Asia Media Review (2001), *Times of Central Asia*, Vol.3, No.21, 24 May, p.8.

¹⁰⁸⁴ Kyrgyz-Press International news agency: "Kyrgyz emigration for Russia intensifies", 29 June 2001 in *BBC Monitoring Global Newslines – Central Asia Political*, 1 July 2001, from BBC Monitoring topic@mon.bbc.co.uk.

ethnic Kyrgyz in Kyrgyzstan.¹⁰⁸⁵ Even though Kyrgyzstan has been worried about a possible influx of refugees resulting from the Afghan crisis and the elements of drug smugglers and Islamic extremists that they think might be among them, this threat must be seen as rather small since Kyrgyzstan does not share a border with Afghanistan.¹⁰⁸⁶

The local level and the importance of informal politics

One of the key problems facing the development of a civil society and the evolution of a "modern" polity throughout Central Asia has, according to John Anderson, been the continued strength of informal politics rooted in what some have described as "tribalism", a word generally given a negative connotation. Prior to Soviet rule most people identified themselves with extended family groups, tribes and regions, and had little sense of belonging to a wider ethnic group. This tradition continued also during Communist rule, especially in the rural regions, where local political life tended to revolve around patronage networks rooted in kinship and regionally based groups. Over time, these groups have been extended to include not only related people, but also members of other clans and ethnic groups who have been effectively co-opted into existing political families. These in turn have had effect at the centre today leading Akaev to suggest in 1992 that in partially democratic Kyrgyzstan, clans remained far more powerful political actors than any of the newly emerging political parties.¹⁰⁸⁷

Kovalskii describes the kin-tribal clan structure as one the main features of the power structure in present-day Kyrgyzstan. The general division of rival groupings is regional with the north versus the south, even though there are rival groups that are not limited to purely regional differences. On the highest levels of power, clashes between officials born in the northern regions and those from the south is a permanent feature of political life, with the general balance in favour of the northern clans. President Akaev, for example, comes from the ethnically most influential and numerous clans, which inhabits the east and northeast of the country. This division of power requires a permanent search for compromises on the part of all the informal groups.¹⁰⁸⁸

After independence, representatives from the traditionally influential and ancient *manap* (feudal-aristocratic) groups that were removed from participation in state affairs under the Soviet regime began a process of rehabilitation. This was accompanied by a redistribution of power according to the places of tribes, clans and kins in the hierarchical rules accepted in Kyrgyz society. The highest positions of power were occupied by people from the Talas valley, historically populated by the elite of the Kyrgyz *ethnos* (the custodians of knowledge and power). Today, they enjoy key positions in the state administration and the representatives

¹⁰⁸⁵ AKIpress web site: "Kyrgyzstan moves to grant citizenship to Tadjik refugees", 13 July 2001 in *BBC Monitoring Global Newline – Central Asia Political*, 16 July 2001, from BBC Monitoring topic@mon.bbc.co.uk.

¹⁰⁸⁶ ICG (2001) *Central Asian Perspectives on 11 September and the Afghan Crisis*, Central Asia Briefing, Osh/Brussels 28 September, downloaded from the Internet 2 October 2001 on <http://www.crisisweb.org/projects/showreport.cfm?reportid=439>.

¹⁰⁸⁷ Anderson, John (1999) *Kyrgyzstan: Central Asia's Island of Democracy*, Amsterdam, Harvard Academic Publishers, p.39.

¹⁰⁸⁸ Kovalskii, V.F. (2001) "Democratic Declarations and Political Realities" in Vassiliev, Alexei *Central Asia: Political and Economic Challenges in the Post-Soviet Era*, London, Saqi Books, p.236.

of the old Soviet party-established system who do not belong to the elite clans are being removed from power.¹⁰⁸⁹

Though Akaev has been increasingly critical of the role of "tribalism" in Kyrgyz politics, in part its continued strength would appear to stem from his own political strategies. During his early years in power he built alliances with powerful regional bosses, in particular the governors of the country's six regions, which he is responsible for appointing. They used their positions to help Akaev, for example with ensuring satisfactory results during referenda, and in turn were to a large extent given free hands in the governance of their own territories. This policy reinforced regionalism, allowing local patronage to consolidate and manipulate political life. During the campaign for the 1995 parliamentary elections, the contest in many constituencies was based upon a combined appeal to clan loyalties and the use of economic power to make promises to the electorate.¹⁰⁹⁰ In Akaev's re-election programme for contesting the presidency in October 2000, Akaev pledged to use professional criteria alone in forming his next government and to do away with regional and clan considerations as part of his main task to consolidate the democratic achievements. Officials who had shown poor performance would be dismissed.¹⁰⁹¹

Kyrgyzstan is administratively divided into seven regions and the capital Bishkek that forms an administrative unit on its own called Bishkek Shaary (the Bishkek City). The Jalal-Abad Oblast (region), Naryn Oblast, Osh Oblast, Talas Oblast and the Batken oblast are all named after their administrative centres. The capital lies within the Chu Oblast and Karakol is the administrative centre of the Issyk-Kul Oblast.¹⁰⁹²

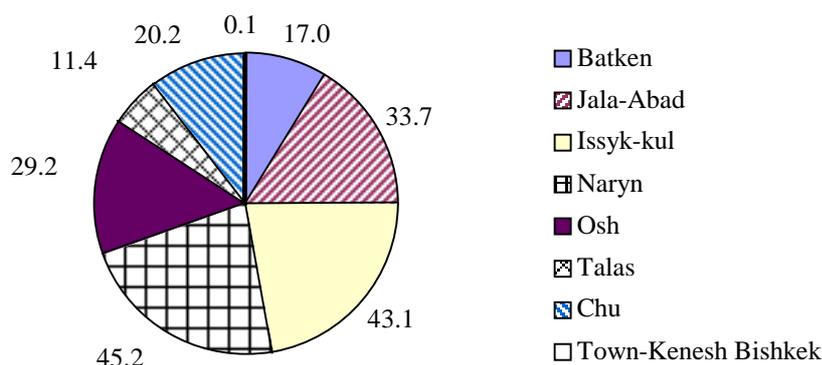
¹⁰⁸⁹ Ibid., p.236-237.

¹⁰⁹⁰ Anderson, John (1999) *Kyrgyzstan: Central Asia's Island of Democracy*, Amsterdam, Harvard Academic Publishers, p.41.

¹⁰⁹¹ Interfax news agency: "Kyrgyz President's Election Platform Focuses on Democracy", *BBC Monitoring Former Soviet Union – Political*, 10 October 2000 downloaded on the Internet on Reuters Business Briefing 24 April 2001.

¹⁰⁹² CIA (2000) *The World Factbook 2000. Kyrgyzstan*. (online), downloaded from the Internet 15 June 2001 from <http://www.odci.gov/cia/publications/factbook/geos/kg.html> and Economist Intelligence Unit (EIU) (2000) *Country Profile: Kyrgyz Republic*, Dartford, Redhouse Press Ltd.

Figure 5. Territory by regions (1000 sq.km)¹⁰⁹³



Source: National Statistical Committee of the Kyrgyz Republic (1999) *Results of the First National Population Census of the Kyrgyz Republic*, downloaded from the Internet 15 June 2001 on <http://nsc.bishkek.su/Eng/Home/census.pfd>.

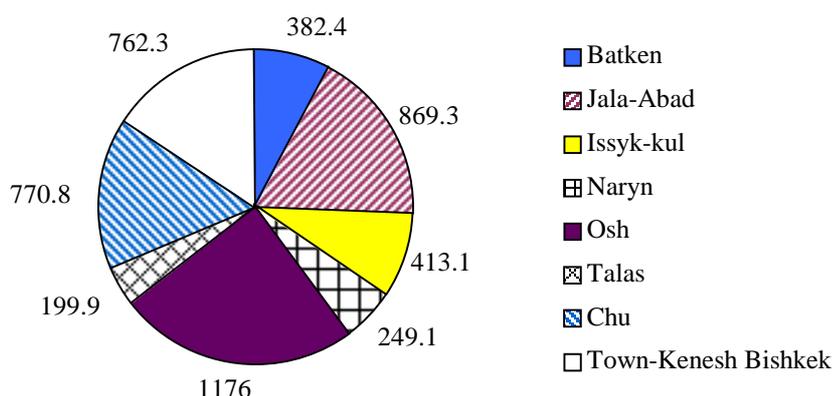
In terms of territory, the Naryn and Issyk-Kul regions in eastern Kyrgyzstan are the largest and the politically influential Talas region is the smallest in size of both territory and population. The Osh region, situated in the densely populated Ferghana valley, has the largest number of people closely followed by the neighbouring Jalal-Abad region. The Chu region and the capital Bishkek in northern Kyrgyzstan also have large numbers of inhabitants, whereas the territorially large regions Naryn and Issyk-Kul are more sparsely populated. The newly formed Batken region that was separated from Osh only in October 1999 is territorially comparably small but like the other regions in the Ferghana valley quite densely populated¹⁰⁹⁴ and the region is likely to continue to grow since Batken has the highest birth rate in the country.¹⁰⁹⁵

¹⁰⁹³ The whole territory of the Kyrgyz Republic accounts for 199,900 sq. km. National Statistical Committee of the Kyrgyz Republic (1999) *Results of the First National Population Census of the Kyrgyz Republic*, downloaded from the Internet 15 June 2001 on <http://nsc.bishkek.su/Eng/Home/census.pfd>.

¹⁰⁹⁴ National Statistical Committee of the Kyrgyz Republic (1999) *Results of the First National Population Census of the Kyrgyz Republic*, downloaded from the Internet 15 June 2001 on <http://nsc.bishkek.su/Eng/Home/census.pfd>.

¹⁰⁹⁵ UNDP Kyrgyzstan (2000) *Preventive Development in the South of Kyrgyzstan. The Batken Crisis and Beyond*, Bishkek, downloaded from the Internet 1 July 2001 on <http://www.undp.kg/english/batken.html>.

Figure 6. Population by regions (thousands)



Source: National Statistical Committee of the Kyrgyz Republic (1999) *Results of the First National Population Census of the Kyrgyz Republic*, downloaded from the Internet 15 June 2001 on <http://nsc.bishkek.su/Eng/Home/census.pfd>.

A survey on the transition of Kyrgyzstan states that in the elections to the local legislatures that were held concurrently with the parliamentary elections in 1995, vote tampering did occur but to a lesser extent than in the national elections. The mayors of Bishkek and Osh were also elected at this time, but although the Mayor of Bishkek is an elected position by law, Akaev appointed the next office-holder. The president appoints the leaders at regional, district and town levels, but the councils of the respective levels are elected. With few exceptions, the local and regional governments are quite inefficient, largely due to the extreme financial constraints and they remain dependent on the central government for a substantial amount of their funding.¹⁰⁹⁶ In general, the local governments can thus not be said to be able to manage and respond to local concerns to any higher degree.

The nature of transition politics might be argued to have strengthened the clientelistic type of politics, since the need for patrons increase during times of economic uncertainty. Even if the patron-client relation is unequal, it is nonetheless mutually beneficial.¹⁰⁹⁷ The attitude by the political leadership is, as have been shown, also ambivalent. Akaev and his presidential team is dependent on the often regionally based strong economic and administrative actors for his continued support as president just as the rural population is dependent on the regional bosses for their economic well-being. The elected local governments are thus quite weak at the expense of the informal powers and the influence of the central power over this area also remains weak.

¹⁰⁹⁶ Karatnycky, Adrian, Motyl, Alexander & Graybow, Charles (eds.) (1999) *Nations in Transit 1998: Civil Society, Democracy and Markets in East Central Europe and the Newly Independent States*, New Brunswick and London, Transaction Publishers, p.331-332.

¹⁰⁹⁷ Anderson, John (1999) *Kyrgyzstan: Central Asia's Island of Democracy*, Amsterdam, Harvard Academic Publishers, p.41.

Religiously Related Threats

The religious composition of the population in Kyrgyzstan

Kyrgyzstan has offered greater freedom than most of its neighbours in the area of religious freedom. Even if Akaev frequently stressed the need to protect the society from the threat of religious extremism, this initially posed little real danger to the country's security. There were no signs of religiously based political movements acquiring substantial support within the country, in large part because of the religious heritage of the region. Though nominally Muslim, the Kyrgyz nomads have traditionally been extremely undogmatic in their religious beliefs, especially in the northern regions. The situation is different in the southern regions where the religion has retained a much more important role and where the revitalisation of Islam has been most evident.¹⁰⁹⁸ The stronger position of Islam in the southern part of the country has been explained by the influence ethnic Uzbeks, Tadjiks and Uighurs have exerted on the local population.¹⁰⁹⁹

Most of the ethnic groups are Muslims, including the Kyrgyz, Uzbek, Tatar and Kazakh parts of the population. The Christian part of the population consists primarily of ethnic Russians. The Uzbek part of the population that is concentrated in the south of the country is generally considered as more religious than the ethnic Kyrgyz.¹¹⁰⁰ Around three-quarters of the population in Kyrgyzstan are estimated to be Sunni Muslim whereas the Christian part of the population constitutes about one-fifth of the entire population.¹¹⁰¹ As a result of the government's relative laissez faire approach to religion, however, Kyrgyzstan has become a regional haven for a wide variety of (foreign) religious movements. In 1992, when some Islamic activists sought a ban on foreign missionaries, Akaev remained neutral on the grounds that there was little protection for ethnic Kyrgyz or Uzbeks who converted to Christianity and social pressures often resulted in ostracism and beatings for converts. However, as the number of religious groups operating in Kyrgyzstan increased and pressures grow from both the state and more traditional groups for greater control of the activities of "cults and sects", this attitude became increasingly hard to maintain.¹¹⁰²

Radical Islam in Kyrgyzstan

Kyrgyzstan was until recently known as a religiously relatively stable state, but during the last three or four years the country has become a host for several extremist organisations. Furthermore, Kyrgyzstan is a fertile field for different Islamic missions from Afghanistan,

¹⁰⁹⁸ Ibid., pp.32-33.

¹⁰⁹⁹ Tabor, Merrick (1996) "Kirgizistan – en demokratins sjunkande ö i Centralasien"? in Petersson, Bo & Svanberg, Ingvar (eds.) *Det nya Centralasien: fem forna sovjetrepubliker i omvandling*, Lund, Studentlitteratur, p.66.

¹¹⁰⁰ Human Rights Watch, downloaded from the Internet on <http://www.hrw.org>; Central Asia and Kazakhstan, downloaded from the Internet on <http://www.zatul.ru>; Report from Information Agency of Kyrgyzstan (Kabar) downloaded from the Internet 22 May 2000 and *The Report on Social Research in Kazakhstan: Religious Extremism as a Factor of the Unstable Situation in Central Asia* (2000) Almaty, Centre of Humanitarian Research.

¹¹⁰¹ CIA (2000) *The World Factbook 2000. Kyrgyzstan*. (online), downloaded from the Internet 15 June 2001 from <http://www.odci.gov/cia/publications/factbook/geos/kg.html>.

¹¹⁰² Anderson, John (1999) *Kyrgyzstan: Central Asia's Island of Democracy*, Amsterdam, Harvard Academic Publishers, p.33.

Pakistan and Uzbekistan.¹¹⁰³ The importance of traditional Sunni Islam is growing in the south of Kyrgyzstan at the same time as *Wahhabism* is gaining increasing ground in the Kyrgyz society.¹¹⁰⁴ The Wahhabi thoughts have spread since 1990 from Muslims coming from Uzbekistan and have the strongest support among the Uzbek part of the population in the south of the country. Most people adhering to the Wahhabi belief are merely doing so for religious reasons, whereas other people also are suspected to have political motives.¹¹⁰⁵ The head of the National Security Service has stated that much of the printed material of the religious extremist groups are now also printed underground in Kyrgyzstan in addition to the material being brought in from abroad.¹¹⁰⁶

In December 1997, the leaders of Kyrgyzstan decided to form a special detachment within the Ministry of National Security for control of the religious organisations whose activity might threaten the country's security.¹¹⁰⁷ According to the chairman of the State Commission on Religious Affairs, they are to receive increased fundings and are ready to issue booklets, leaflets and other material jointly with the republic's mufti's office. The resistance against the radical Islamic movements is being conducted in cooperation with the highly educated members of the Kyrgyz clergy, who both know the Koran and honour the laws of the Kyrgyz republic. The commission has also received assistance from a number of Arab countries and Turkey, which is useful since they have had experiences of fighting extremism similar to that in Kyrgyzstan. The role of the law-enforcement agencies in the struggle against religious extremism was, according to the chairman, limited by the poor legislation in which the line between when religious activities stop being lawful and become illegal and unconstitutional was indistinctly drawn.¹¹⁰⁸

Extremist organisations in Kyrgyzstan

The southern areas of Kyrgyzstan, where the strongest supporters of the fundamentalist Islamic ideas can be found, are at the same time the most rural and poor areas of Kyrgyzstan. In the southern regions of Osh and Jalal-Abad, where most of the people supporting the Islamist organisations *Hizb-ut-Tahrir* and the *Islamic Movement of Uzbekistan* are found, the situation is particularly worrying.¹¹⁰⁹

¹¹⁰³ Apishev, M., "Religious Strength Rests on the State Ideology Weakness", *The Central Asia Post*, 18 January 1999; Burkhanov, K.N. (2000) *Extremism in Central Asia*, Almaty, Agance France Press; Kasabolotov, Zh.: "Kyrgyzstan's Geopolitics: Problems and Prospects", *The Times of Central Asia*, Bishkek, 22 February 2001; Luzanova, E.: "Islam in Central Asia", *The Central Asia Post*, Almaty, 23 January 1997 and Zhalkubayev, G.: "What's the Price of Kyrgyzstan's Military Security", *The Times of Central Asia*, Bishkek, 22 February 2001.

¹¹⁰⁴ Burkhanov, K.N. (2000) *Extremism in Central Asia*, Almaty, Agance France Press.

¹¹⁰⁵ Ablyzov, N.: "Islamic Extremism in Central Asia: a New Challenge and Complete Non-Readiness", *The Globe*, 5 October 1999, p.7; Burkhanov, K.N. (2000) *Extremism in Central Asia*, Almaty, Agance France Press; Garfarly, M.: "Who is Behind Islamic Terrorists and Extremists", *Nezavisimaya Gazeta*, 20 June 2000 and Rotar, I.: "The Fundamentalists Activities", *Nezavisimaya Gazeta*, 15 July 2000.

¹¹⁰⁶ AKIpress web site: "Banned religious groups step activities in southern Kyrgyzstan", 14 July 2001 in *BBC Monitoring Global Newslines – Central Asia Political*, 14 July 2001, from BBC Monitoring topic@mon.bbc.co.uk.

¹¹⁰⁷ Kovalskii, V.F. (2001) "Democratic Declarations and Political Realities" in Vassiliev, Alexei *Central Asia: Political and Economic Challenges in the Post-Soviet Era*, London, Saqi Books, p.250.

¹¹⁰⁸ Vecherniy Bishkek web site: "Kyrgyz religious commission head slams banned religious party", 25 June 2001 in *BBC Monitoring Global Newslines – Central Asia Political*, 28 June 2001, from BBC Monitoring topic@mon.bbc.co.uk.

¹¹⁰⁹ Abdrahmanov, A. (1999) "The Weapon against Islam", *Shapaghat Nur*, No.7, May; Burkhanov, K.N. (2000) *Extremism in Central Asia*, Almaty, Agance France Press; Central Asia and Kazakhstan, downloaded from the internet on <http://www.zatulini.ru>; Ibragimov, H.: "Extremism", *Nezavisimaya Gazeta*, 3 February 2000; Report

In the summer 2001, a correspondent from the newspaper Vecherniy Bishkek conducted an interview with the chairman of the State Commission on Religious Affairs under the Kyrgyz government. The chairman described a meeting he had had with members of four Hizb-ut-Tahrir members, in which he had tried to persuade them that their main idea of a global caliphate is totally impractical in addition to being unconstitutional. He added that besides the attempt to overthrow the constitutional basis of the existing system, the Hizb-ut-Tahrir was violating the laws prohibiting foreign financial support for single political parties as well as the law against political parties set up on a religious basis. According to the chairman, the movement used the present economic hardship with poverty and unemployment as their breeding ground.¹¹¹⁰

There is some degree of split over how to tackle the activities of the Islamic groups in the Kyrgyz society, or at least in the south of the country. The member of parliament and politician Tursunbay Bakir Uulu, who formerly was the president's special human rights representative and is highly respected among representatives of religious circles and political parties, thinks that the authorities are making a serious mistake in hounding the Hizb-ut-Tahrir party activists. According to him, the party is a peaceful organisation that does not pose a threat against the country's security, but disagrees with the activities of the orthodox Muslim leaders who head the local community. This view contrasts sharply with the official view. Uulo believes however, like many others, that during the present circumstances, fighting is almost inevitable in the south of the country, which in practice contradicts his earlier statement. In the opinion of Uulo, the clergy alone should combat the religious extremism. Besides pointing out a potential risk posed by the government pressure on the Islamic groups, the split indicated by the different views in itself too poses a risk that can be further used by the Islamic movements.¹¹¹¹

The Islamic Movement of Uzbekistan, operating mainly in the Fergana Valley on the border between Kyrgyzstan, Tadjikistan and Uzbekistan, is one of the largest of the Islamic movements wishing to establish Islamic regimes in Central Asia. Acknowledging the undogmatic faith of the Kyrgyz population, the Russian newspaper *Nezavisimaya gazeta* states that it is indicative that the majority of the zealous parishioners of the Bishkek Central Mosques are ethnic Uzbeks. Furthermore, it is therefore not surprising that most members of the Islamic Movement of Uzbekistan that are Kyrgyz residents are Uzbek by nationality either. In this situation there is a risk that all local Uzbeks could indiscriminately come to be accused of sympathising with the Islamic radical groups.¹¹¹²

from Information Agency of Kyrgyzstan (Kabar) downloaded from the Internet 22 May 2000; *The Report on Social Research in Kazakhstan: Religious Extremism as a Factor of the Unstable Situation in Central Asia* (2000) Almaty, Centre of Humanitarian Research.

¹¹¹⁰ Vecherniy Bishkek web site: "Kyrgyz religious commission head slams banned religious party", 25 June 2001 in *BBC Monitoring Global Newslines – Central Asia Political*, 28 June 2001, from BBC Monitoring topic@mon.bbc.co.uk.

¹¹¹¹ AKIpress web site: "Banned religious groups step activities in southern Kyrgyzstan", 14 July 2001 in *BBC Monitoring Global Newslines – Central Asia Political*, 14 July 2001, from BBC Monitoring topic@mon.bbc.co.uk.

¹¹¹² *Nezavisimaya gazeta*: "Russian Paper Claims Radical Islam a Threat to Regional Security", *BBC Monitoring Former Soviet Union – Political*, 1 December 2000 downloaded from the Internet on Reuters Business Briefing 24 April 2001. See also Rashid, Ahmed (2000) "Asking for Holy War", *Far Eastern Economic Review*, 9 November, pp.28-30.

According to both the special services and MP Tursunbay Bakir Uulu, who has links with the leaders of IMU, the ranks of the movement are replenished every year with Chechen militants and mojahedin from Pakistan.¹¹¹³ Furthermore, the Kyrgyz military has informed that Rahmon Sanginov has reached a preliminary agreement with IMU leader Juma Namangani to join forces with the latter organisation. Rahmon Sanginov (with the nickname “Hitler”) is a fervent supporter of the Tadjik opposition and led the rebel group that was struck down by Tadjik government troops in the mid-summer 2001. The remaining forces of Sanginov were as a result of the agreement supposed to be heading to the Tadjik-Kyrgyz border. Namangani was also reported to have met with the leader of the right wing of the Uighur separatists, Khasan Dzhundulloh, together with another of the IMU leaders in order to discuss a plan for invading the Batken region and the Chon-Alay District in the Osh region. A find by the Kyrgyz border guard of a cache in which 500 kg of Chinese-made ammunition near the Telbe pass has been presented as confirmation of these plans.¹¹¹⁴

According to a statement made by the Minister of Internal Affairs in July 2001, the activities of religious extremist organisations is now spreading also in the north of the country, in particular in Bishkek and the Chu region. During the first half of 2001 the power-wielding agencies in these areas had arrested more and more people who were spreading literature calling for the overthrow of state power in Central Asia. The minister stated that the young people were mainly recruited in the many mosques that have been built over the last years, many of them illegally.¹¹¹⁵

Economically Related Threats

Illegal trade

Kyrgyzstan is not a major drug producing country. The opium poppy grown in Kyrgyzstan for medical use during the Soviet period for many years contributed to about 16 per cent of the world’s produce of morphine, but the production facilities are not used anymore. The ephedrine plant that grows wild in Kyrgyzstan is produced as ephedrine in clandestine laboratories. The narcotic substances from Kyrgyzstan are sold as semi-finished or end products to the other countries in Central Asia as well as Russia and then further exported to Europe. However, because of the unprotected border between Kyrgyzstan and Tadjikistan, Kyrgyzstan has become an important transit country for the illegal drug trade from both Tadjikistan and Afghanistan, with the southern city Osh, situated in the Ferghana valley, as a major transportation hub. The insecure economic and social situation in independent Kyrgyzstan has further contributed to a sharp rise in illegal drug trade. The main efforts to stop the trade, which is a high priority for the law enforcement agencies, have been focused on

¹¹¹³ AKIpress web site: “Banned religious groups step activities in southern Kyrgyzstan”, 14 July 2001 in *BBC Monitoring Global Newslines – Central Asia Political*, 14 July 2001, from BBC Monitoring topic@mon.bbc.co.uk.

¹¹¹⁴ Slovo Kyrgyzstana: “Tadjik, Uighur, Uzbek armed opposition said uniting, plan to invade Kyrgyzstan”, 24 July 2001 in *BBC Monitoring Global Newslines – Central Asia Political*, 29 July 2001, from BBC Monitoring topic@mon.bbc.co.uk.

¹¹¹⁵ Kyrgyz Radio first programme: “Religious extremism spread in north Kyrgyzstan, mainly through mosques”, 13 July 2001 in *BBC Monitoring Global Newslines – Central Asia Political*, 15 July 2001, from BBC Monitoring topic@mon.bbc.co.uk.

border control, with the particular aim to hamper the illegal flow of drugs from Tadjikistan that has a destabilising effect on southern Kyrgyzstan.¹¹¹⁶

According to a recent analysis, the drug situation is continuously worsening. In 2000 the law enforcement agencies seized 5,370 kg of drugs from the illegal trade, including 1,405 kg of opium and 217 kg of heroin. Apart from the growing number of drug addicts, the drug related crimes are increasing as well. In an effort to stop the increasing drug addiction that has been caused by the increasing expansion of transnational criminal groups dealing with drugs, the Kyrgyz government has decided to launch a State Programme of Combating Drug Addiction and the Illegal Drug Trade for the years 2001 to 2003. The intensified transit of drugs through the country has changed the structure of drug addiction towards intravenous use, which increases the threat of AIDS and HIV in Kyrgyzstan.¹¹¹⁷ There are no official estimates of the number of drug addicts in Kyrgyzstan and there were still no hospitals providing drug treatment in the year 2000.¹¹¹⁸

Summary and Conclusions

Kyrgyzstan has been in great need of security guarantees and military help because of its exposed geographic position in relation to, primarily Afghanistan via Tadjikistan but also China and possibly Uzbekistan. However, the risk of increased internal tensions probably poses a greater threat to Kyrgyzstan and the present regime. The growing authoritarian trend in Kyrgyz politics and society over the last five years is a major reason for these internal tensions, especially between representatives of different clans and regions. Also the relationship between the different ethnic groups in the country could worsen as the titular population is being privileged, in particular in relation to the large Uzbek minority. This far, however, the relations have remained quite calm. In relation to the Uzbek minority, the Kyrgyz authorities seem to be aware of the risk that the powerful Uzbek neighbour could use perceived or real discrimination against the Uzbek minority in Kyrgyzstan as a pretext for putting pressure on Kyrgyzstan. The Russian minority does not pose the same potential risk of inter-ethnic or transborder conflict as the Uzbek does, even though Russia could use their ethnic minority as a way to pressure Kyrgyzstan in the same way as Uzbekistan has shown tendencies to do. However, a substantial number of Russians have emigrated from Kyrgyzstan, which diminishes this risk but causes problems from an economic point of view as Kyrgyzstan loses a qualified and much needed part of its work force.

The potential ethnic tensions are further linked to the increasing pressures put by the authorities on so called militant Islamists, since the Uzbek minority is generally more religious than the titular population. This causes a risk that all Uzbeks could become accused of supporting with radical Islamic movements. In relation to China, the Muslim Uighurs who have separatist movements in Kyrgyzstan, remain a sensitive issue. The authorities have acted

¹¹¹⁶ NATO Partnership for Peace Documentation Center *Europe and Central Asia*, downloaded from the Internet 19 October 2001 on www.isn.ethz.ch/pfdpdc/e_index.htm and Zviagelskaia, Irina D. & Naumkin, Vitali V. (1999) "Non-Traditional Threats, Challenges and Risks in the Former Soviet South" in Menon, Rajan, Fedorov, Yuri E. & Nodia, Ghia (eds.) *Russia, the Caucasus and Central Asia: the 21st Century Security Environment*, New York, M. E. Sharpe, Inc., p.229.

¹¹¹⁷ Kabar news agency: "Kyrgyzstan adopts state drugs control programme", 27 June 2001 in *BBC Monitoring Global Newline – Central Asia Political*, 28 June 2001, from BBC Monitoring topic@mon.bbc.co.uk.

¹¹¹⁸ NATO Partnership for Peace Documentation Center *Europe and Central Asia*, downloaded from the Internet 19 October 2001 on www.isn.ethz.ch/pfdpdc/e_index.htm.

strongly against these movements, possibly both in an attempt to quell what they see as radical Islamic activity and in order to avoid criticism and suspicion from China. Kyrgyzstan was formerly quite liberal in its attitude towards religion, but with the increasing activities of orthodox or radical Islamic groups the stance has changed – especially after the incursions of IMU fighters in Batken in the summers of 1999 and 2000. Nevertheless, Kyrgyzstan probably remains the country in Central Asia with the highest degree of religious freedom.

The most devoted Muslims are found in the southern regions of Kyrgyzstan – Osh, Jalal-Abad and Batken – both among the Uzbek minority and among the titular population. It is also in these agrarian and relatively poor parts of Kyrgyzstan that the strongest support for organisations like IMU and Hizb-ut-Tahrir is found. Moreover, it is in these regions that the illegal drug trade is most intense because of the close proximity both to the poorly guarded Kyrgyz-Tadjik border and to the border the Uzbekistan. Because of the apparent strong correlation between difficult socio-economic conditions and strong support for more or less radical organisations it is logical that Batken, that has been economically disadvantaged also during the Soviet era, has been most receptive to the radical Islamic ideas. Batken is the poorest part of the country. Moreover, the region has weak contacts with the ruling centre and the highest rate of unemployment in Kyrgyzstan. The authorities seem to be aware of this problem, but their measures are not always wise and risk provoking a more radical response.

Uzbekistan

Figure 7. Regional differences



- The Fergana Valley has a high concentration of Muslim population and contains a third of Uzbekistan's 90 per cent Muslims. There have also been occurrences of nationalist activities in the region, especially in the Andijan and Namangan regions.
- Sunni Islam dominates in the large part of Uzbekistan.
- Samarkand and Bukhara have a large concentration of ethnic Tadjiks demanding cultural and territorial autonomy.
- The Tashkent region has districts that are partly influenced by what the government identifies as extremist organisations, for example “Adolat” and “Hizb-ut-Tahrir”.

Introduction

Uzbekistan is territorially the second largest country in the region and has the largest population, constituting approximately half of the total population in Central Asia. The regional role of Uzbekistan is important both because of its size and resources and because it is the only country that has borders on all other countries in the Central Asian region. Islam Karimov, who was elected the first president in Uzbekistan in December 1991, early began to adopt authoritarian measures in order to consolidate his power in relation to both secular and religious opponents.

The civil war in Tadjikistan and the Taliban take-over in Afghanistan combined with the increasing drugs trafficking was viewed as a threat to the stability in Uzbekistan and served to further strengthen the authoritarian control of the country. In an effort to prevent the increased growth of Islamic movements also in Uzbekistan, the regime has cracked down hard against almost all kind of Islamic groups and has tried to sever the contacts between Islamic groups in Uzbekistan and those in other countries. These measures in combination with an already tight political environment and growing socio-economic hardship has served to radicalise even those groups that earlier were purely religious and lacked a political agenda. The result has become a vicious circle of repression and growing discontent and radicalisation that have been met with more authoritarian measures. Most of the Islamic opposition has been forced underground or has fled the country, but continues their opposition against the regime. If economic and political reforms that could improve the situation for the large part of the population are not implemented, the government risks increasing violent actions.¹¹¹⁹

The American operation in Afghanistan has had a direct impact on Uzbekistan that is likely to affect the internal stability of the country as well. Even though Uzbekistan has only agreed to allow the USA to use its territory for humanitarian, reconnaissance and rescue operations in Afghanistan, many people in the country fear the response of the radical Islamic forces. Perhaps the government reaction to this fear is an even worse threat to the Uzbek society. There have already been signs that the government has stepped up its persecutions of alleged Islamic radical extremists, which risks increasing the opposition between, on the one hand, both ordinary Muslims and more radical Islamic forces and, on the other, the regime of the country. An indication are the trials held against nine members of the Hizb-ut-Tahrir in October 2001 that apart from the usual charges also included alleged connections with Osama bin Laden, which sets a dangerous new precedent. The accused were sentenced to long prison terms despite a lack of evidence.¹¹²⁰

¹¹¹⁹ Compare for example with ICG (2001) *Central Asia: Uzbekistan at Ten – Repression and Instability*, Asia Report No.21, Osh/Brussels 21 August, downloaded from the Internet 12 November 2001 on <http://www.crisisweb.org/projects/showreport.cfm?reportid=393>.

¹¹²⁰ Ketbenbaev, Urakbai (2001) "Uzbekistan: the Yanks Are Coming", *Institute for War and Peace Reporting Central Asia*, No.74, 12 October, downloaded from the Internet 17 October 2001 on info@iwpr.net and Khojaev, Said: "Tashkent Cracks Down on Islamists", *Institute for War and Peace Reporting Central Asia*, No.74, 12 October, downloaded from the Internet 17 October 2001 on info@iwpr.net.

Ethnic Strife, Military Capabilities and Constraints

Uzbekistan has the most significant military capabilities of the Central Asian countries. The total armed forces in Uzbekistan number around 50,000 to 55,000 active people, including staff at the Ministry of Defence and centrally controlled units. The army has 40,000 men and Uzbekistan also has a quite large paramilitary, estimated to between 18,000 and 20,000 men of which 17,000 to 19,000 belong to the internal security troops. The Uzbek air force has approximately 10,000 to 15,000 personnel according to the International Institute for Strategic Studies in the report on the military balance for 2001.¹¹²¹

The numbers of the military and police force are still disputed. According to the General Secretary of the Human Rights Society of Uzbekistan, the regime of president Karimov has created a “huge machine” of 40,000 security police in Tashkent alone and has a nation-wide recruitment of as many as 2,000 informants per month. While these figures obviously should be taken with a large amount of caution, it is probably safe to conclude that the government spends increasing amounts on the security services and correspondingly less on the basic needs of people.¹¹²² There is a quite large amount of army reservists in Uzbekistan, estimated to around 100,000. Uzbekistan has moved rapidly to increase the percentage of ethnic Uzbek officers in the armed forces that were a mere six per cent when the country gained independence. By 1997, the proportions of Uzbek and Slav officers had been almost reversed with nearly 85 per cent of the total number of officers being ethnic Uzbeks.¹¹²³ Military expenditures were two per cent of GDP in 1997.¹¹²⁴

The Uzbekistan Border Troop Commands was established in 1992 on the basis of the former Soviet Central Asian Border Troops District and in 1994 it became under the control of the Ministry of Internal Security. The border troops initially worked in close cooperation with the Russian Border Troops Command under a 1992 agreement that provided for Russian training of all Uzbek border troops and joint control of the Afghan border. The border troops were still very limited in 1996, comprising approximately 1,000 troops and they constitute the weakest part of the Uzbek defence in the autumn 2001 as well. The Uzbek police force was estimated to about 25,000 people in 1996 that since independence has been given training in Western techniques under a programme by the United States Department of Justice. Nevertheless, it will probably take more measures and longer time to root out the widespread organised crime and corruption in Uzbekistan and within the law enforcement community itself. As an indication of the deeply entrenched corruption and organised crime within this community, about 25 per cent of the police officers taking part in a survey in the mid-1990s agreed that other officers were involved in the sale of drugs or taking bribes.¹¹²⁵

¹¹²¹ The International Institute for Strategic Studies (IISS) (2001) *The Military Balance 2001/2002*, London, Oxford University Press, p.171.

¹¹²² ICG (2001) *Central Asia: Uzbekistan at Ten – Repression and Instability*, Asia Report No.21, Osh/Brussels 21 August, downloaded from the Internet 12 November 2001 on <http://www.crisisweb.org/projects/showreport.cfm?reportid=393>, p.2.

¹¹²³ Melvin, Neil J. (2000) *Uzbekistan: Transition to Authoritarianism on the Silk Road*, Amsteldijk, Harwood Academic Publishers, pp.101-102.

¹¹²⁴ CIA (2000) *The World Factbook 2000. Uzbekistan*. (online), downloaded from the Internet 11 November 2001 on <http://www.odci.gov/cia/publications/factbook/geos/uz.html>.

¹¹²⁵ Lubin, Nancy (1997) “Uzbekistan” in Glenn E. Curtis (ed.) *Kazakhstan, Kyrgyzstan, Tadjikistan, Turkmenistan and Uzbekistan: Country Studies*, Washington, Library of Congress Cataloging-in-Publication Data, pp.464-467.

Immediately after independence from the Soviet Union, Uzbekistan supported the development of close military cooperation within the CIS framework because of the sensitive situation in Afghanistan and Tadjikistan, two neighbouring countries with large ethnic Uzbek groups. Uzbekistan consequently joined the Collective Security Treaty in May 1992 and took part in the collective peacekeeping efforts within the treaty framework that started the same year. Uzbekistan also requested the help of Russian border guards on the border to Afghanistan with the aim to curb the smuggling of weapons and other illegal trade.¹¹²⁶ This stance changed quickly as Uzbekistan developed their own military forces and Karimov soon appeared particularly opposed to the continuing Russian military presence in Central Asia. Uzbekistan refused to sign the Treaty for the Defence of the CIS External Borders in 1995 and in early 1999 Uzbekistan announced that it would withdraw from the Collective Security Treaty in May the same year, even though they emphasised that the decision would not affect the Uzbek-Russian bilateral agreements.¹¹²⁷

A Russian newspaper, commenting on the Uzbek decision to leave the CIS defence pact, reported that Uzbekistan also questioned the need for the continued presence of the Russian-dominated CIS peacekeeping force in Tadjikistan. The Uzbek government did not consider the presence of the force necessary since the Mujaheddin of the Islamic opposition had left Afghanistan and to a large extent had become integrated in the Tadjik national army.¹¹²⁸ However, later events and the increased activities of radical Islamic groups in particular, have contributed to a certain degree of rapprochement between Russia and Uzbekistan, even in their views on military matters.¹¹²⁹

Because of the strong opposition – represented primarily by the IMU – against Uzbekistan and the regime of President Islam Karimov the need to improve the state of the military forces in Uzbekistan, and the border forces in particular, has been acknowledged internationally. Even if Uzbekistan has the largest armed forces in Central Asia, the border troops are still small and lack resources. In February, the U.S. delivered its first military aid to Uzbekistan in the form of twelve transport vehicles and in April 2000, the U.S. announced that they had earmarked ten million U.S. dollars for Uzbekistan in order to provide training and equipment for counter-terrorism and anti-drug units on the Afghan border.¹¹³⁰ A part of this package was delivered in January 2001, consisting of communications equipment to the value of USD300,000.¹¹³¹

¹¹²⁶ Schlyter, Birgit N. (1996) "Uzbekistan – från bomullskoloni till regional stormakt" in Petersson, Bo & Svanberg, Ingvar (eds.) *Det nya Centralasien: fem forna sovjetrepubliker i omvandling*, Lund, Studentlitteratur, p.145.

¹¹²⁷ Melvin, Neil J. (2000) *Uzbekistan: Transition to Authoritarianism on the Silk Road*, Amsteldijk, Harwood Academic Publishers, pp.101-110.

¹¹²⁸ RFE/RL Newsline (1999) *Uzbekistan to Leave CIS Defence Pact*, 3 February, downloaded from the Internet 8 November 2001 on <http://www.rferl.org/newsline/1999/02/030299.html>.

¹¹²⁹ Melvin, Neil J. (2000) *Uzbekistan: Transition to Authoritarianism on the Silk Road*, Amsteldijk, Harwood Academic Publishers, p.102.

¹¹³⁰ Rashid, Ahmed (2001) "Central Asia Summary: Recent Developments in Uzbekistan, Tadjikistan", *Eurasianet Eurasia Insight*, 17 January, downloaded from the Internet 11 October 2001 on <http://www.eurasianet.org/departments/insight/articles/eav011701.shtml> and The International Institute for Strategic Studies (IISS) (2000) *The Military Balance 2000/2001*, London, Oxford University Press, p.159.

¹¹³¹ Rashid, Ahmed (2001) "Namangani's Foray Causes Concern Among Central Asian Governments", *Eurasianet Eurasia Insight*, 2 May, downloaded from the Internet 2 October 2001 on <http://www.eurasianet.org/departments/insight/articles/eav020501.shtml>.

Russia has also stepped up its programme of assistance and exercises in the entire region. When Russia ran the “Southern Shield Exercises” Uzbekistan also chose to take part in some of the exercises that were held on its own territory. This was unexpected, since Uzbekistan usually is very sceptical against any Russian military activities, but the stepped-up activity of Islamic militants during the year 2000 has probably made such activities more acceptable.¹¹³² At the end of January, three IMU militants were killed in a clash with Uzbek security forces near the capital and during the summer incursions in August and September, Uzbek forces fought with more rebels who tried to enter the Ferghana valley. In line with the usual position on military cooperation with Russia, Uzbekistan declined Russian military aid in the spring 2000. In early autumn, Russia nevertheless provided Uzbekistan with weapons, including 50 armoured cars and Mi-8 helicopters. Moreover, as first country in Central Asia, Uzbekistan received military aid from China. This aid included flak jackets, night vision equipment and sniper rifles, all in all worth around USD 365,000.¹¹³³

The arbitrarily drawn borders in the region cause problems for all of the Central Asian countries, including Uzbekistan. As an example, the main road between Tashkent and Samarkand passes through Kazakh territory.¹¹³⁴ An agreement on the delimitation of the border between Uzbekistan and Kazakhstan was signed in mid-November 2001, but there were still three disputed areas that would be addressed later.¹¹³⁵ One of the enclaves on Kyrgyz territory that belongs to Uzbekistan, Shakhimardan, is a resort for Muslim pilgrims and harbours a mausoleum of one of the most prominent figures in the Uzbek modern literature, Hamza Hakimzoda Niyoz. It has been possible to drive across Kyrgyz territory in order to reach the enclave, but this could become more difficult as the nation-building process continues.¹¹³⁶ The IMU incursions have further increased the sensitivity of the border issues and could make the communications between the countries in the region more complicated. After the clashes with the IMU rebels who entered Uzbekistan after crossing Tadjikistan and Kyrgyzstan in January 2000, Uzbekistan demanded that the two neighbours tighten security along their borders. Moreover, Uzbekistan began to unilaterally demarcate the Uzbek-Kyrgyz border in the Fergana valley and stopped all rail and road traffic to Osh in southern Kyrgyzstan for several weeks.¹¹³⁷

The border with Afghanistan and the ethnic Uzbek minority living in Northern Afghanistan have caused worries also before the U.S.-attacks on Afghanistan in the autumn 2001. Uzbekistan reinforced its military presence on the Uzbek-Afghan border after the Taliban

¹¹³² The International Institute for Strategic Studies (IISS) (2000) *The Military Balance 2000/2001*, London, Oxford University Press, p.159.

¹¹³³ Rashid, Ahmed (2001) "Central Asia Summary: Recent Developments in Uzbekistan, Tadjikistan", *Eurasianet Eurasia Insight*, 17 January, downloaded from the Internet 11 October 2001 on <http://www.eurasianet.org/departments/insight/articles/eav011701.shtml>.

¹¹³⁴ Schlyter, Birgit N. (1996) “Uzbekistan – från bomullskoloni till regional stormakt” in Petersson, Bo & Svanberg, Ingvar (eds.) *Det nya Centralasien: fem forna sovjetrepubliker i omvandling*, Lund, Studentlitteratur, p.156.

¹¹³⁵ Khabar Television: “Kazakh, Uzbek heads welcome end to territorial disputes”, 16 November 2001 in *BBC Monitoring Global Newsline – Central Asia Political*, 17 November 2001, from BBC Monitoring topic@mon.bbc.co.uk.

¹¹³⁶ Schlyter, Birgit N. (1996) “Uzbekistan – från bomullskoloni till regional stormakt” in Petersson, Bo & Svanberg, Ingvar (eds.) *Det nya Centralasien: fem forna sovjetrepubliker i omvandling*, Lund, Studentlitteratur, p.156.

¹¹³⁷ Rashid, Ahmed (2001) "Central Asia Summary: Recent Developments in Uzbekistan, Tadjikistan", *Eurasianet Eurasia Insight*, 17 January, downloaded from the Internet 11 October 2001 on <http://www.eurasianet.org/departments/insight/articles/eav011701.shtml>.

conquest of Kabul in the autumn of 1996 and tried to establish the northern Afghan regions as a buffer zone. The substantial influence of the ethnic Uzbeks in the Afghan civil war has led to suspicion about the role of their titular country. Uzbekistan has been suspected of supporting the Northern Alliance and the ethnic Uzbek warlord, General Abdurrashid Dostum, with both civil and military assistance. When the Taliban defeated Dostum and reached the Uzbek border, the situation got significantly more serious, leading to both increased contacts with the other Central Asian states and with Russia, especially when Uzbekistan began to realise that the international community would not give any specific security guarantees. At the first visit of Russian president Boris Yeltsin to Uzbekistan in October 1998, the Taliban was a topical issue for the discussions that resulted in the signing of an agreement promising help in case one of the countries was attacked.¹¹³⁸

Socio-Economic Factors

Production of cotton and natural gas are the most important parts of the Uzbek economy and was earlier primarily exported to Russia. Like in the other Central Asian states, the country's economy was largely based on production of raw material, but Uzbekistan also combined extraction of, for example, gold, coal and copper with some manufacturing and had a larger internal market than the other states in the region.¹¹³⁹ Like the other Central Asian states, Uzbekistan entered into a period of recession at the beginning of independence (although the crisis in Uzbekistan was worse in late 1991 to 1992 rather than earlier in 1991 and 1990). However, due to the active intervention of the state, the recession was rather mild in Uzbekistan compared with the other post-Soviet states.¹¹⁴⁰

Uzbekistan has managed to extend the country's foreign economic links quite successfully. In 1996, the share of the former Soviet republics in the foreign trade was no more than 28 per cent at the same time as the trade with the United States, Germany and South Korea was growing. The trade with China has also increased and the two countries have signed several trade agreements. In the post-Soviet area, Uzbekistan has given priority to the development of the economic links with the other Central Asian states as the CAU formed between Uzbekistan, Kazakhstan and Kyrgyzstan in 1994 can be seen as an example of, but Russia nevertheless remains the single largest trading partner.¹¹⁴¹

Increasingly, the centralised control of the economy and lack of further reforms has threatened the earlier relative economic success and scared off most foreign investors.¹¹⁴² The heavy industry remains under government control and the largest exports, including cotton and gold, are in the hands of a few people who gain and lose their positions because of their relations to the president. Estimates indicate that as much as 70 per cent of the gross national product

¹¹³⁸ Melvin, Neil J. (2000) *Uzbekistan: Transition to Authoritarianism on the Silk Road*, Amsteldijk, Harwood Academic Publishers, p.99-103.

¹¹³⁹ Zubarevich, Natalia V. & Fedorov, Yuri E. (1999) "Russian-Southern Economic Interaction" in Menon, Rajan, Fedorov, Yuri E. & Nodia, Ghia (eds.) *Russia, the Caucasus and Central Asia: the 21st Century Security Environment*, New York, M. E. Sharpe, Inc., pp.122-123.

¹¹⁴⁰ Gafarly, M.S. & Rass, V.F. (2001) "The Preservation of the State's Dominant Position in the Economy" in Vassiliev, Alexei (ed.) *Central Asia. Political & Economic Challenges in the Post-Soviet Era*, London, Saqi Books, p.102.

¹¹⁴¹ *Uzbekistan*. Länder i fickformat, nr.915 (1999), Stockholm, Utrikespolitiska institutet, pp.22-27.

¹¹⁴² Melvin, Neil J. (2000) *Uzbekistan: Transition to Authoritarianism on the Silk Road*, Amsteldijk, Harwood Academic Publishers, p.85.

continues to be generated by state-owned or state-financed financed enterprises.¹¹⁴³ Uzbekistan has adopted policies of import substitution in the oil and gas sectors. The economy has still made some progress, at least according to national statistics, and the prospects for good cotton harvests and rising production in minerals and metals could shelter the Uzbek economy from some of the problems experienced by its neighbours. However, the economy as a whole remains perilously dependent on the agricultural sector and the overall prospects are not promising if the current economic policy is maintained, even if some sectors might prosper.¹¹⁴⁴

In 2000, the economy declined further and the authoritarian control of the economy maintained by President Karimov prevented several agreements with the IMF and the World Bank. Due to the tight currency control and lack of a legal framework for investments, foreign investments were low. When Uzbekistan announced a major privatisation campaign of state assets, including oil companies, there were no foreign takers. In August, China agreed to set up a joint venture with six companies in Uzbekistan as the only foreign country.¹¹⁴⁵ However, there have been other foreign companies in the country established earlier of which several countries have rather extensive projects going on, like the South Korean Daewoo car-manufacturing company.

Standards of living, employment and prospects for life improvement

Despite an early and relative success of the Uzbek authorities in handling the economic recession, the standards of living have worsened considerably due to the economic recession and high level of inflation. Around 40 per cent of the population were estimated to be living below the poverty line before independence and the figure rose during the first years after independence. The former Soviet social security system is still in place but the real value of the benefits has dropped considerably due to the high level of inflation. Students, retired people and other low-income groups get extra benefits and some groups have their taxes reduced and sometimes do not have to pay rent.¹¹⁴⁶ According to the EBRD estimate for 1999, 29 per cent of the population was estimated to live in poverty according to a level of four dollar-a-day, which is the best figure in all Central Asia, largely explained by the comparatively high level of social protection.¹¹⁴⁷ The standard of living varies considerably in different parts of the country, however. The situation is worst in the densely populated rural areas around the major oases and in the fertile Ferghana valley where most of the population (around 60 per cent) live. The rising poverty combined with the growing population threatens to cause further unrest in these areas.¹¹⁴⁸

¹¹⁴³ ICG (2001) *Central Asia: Uzbekistan at Ten – Repression and Instability*, Asia Report No.21, Osh/Brussels 21 August, downloaded from the Internet 12 November 2001 on <http://www.crisisweb.org/projects/showreport.cfm?reportid=393>, p.21.

¹¹⁴⁴ Melvin, Neil J. (2000) *Uzbekistan: Transition to Authoritarianism on the Silk Road*, Amsteldijk, Harwood Academic Publishers, pp.83-86.

¹¹⁴⁵ Rashid, Ahmed (2001) "Central Asia Summary: Recent Developments in Uzbekistan, Tadjikistan", *Eurasianet Eurasia Insight*, 17 January, downloaded from the Internet 11 October 2001 on <http://www.eurasianet.org/departments/insight/articles/eav011701.shtml>.

¹¹⁴⁶ *Uzbekistan*. L nder i fickformat, nr.915 (1999), Stockholm, Utrikespolitiska institutet, p.31.

¹¹⁴⁷ European Bank for Reconstruction and Development (1999) *Transition Report 1999. Ten Years of Transition*, London, EBRD, pp.283-284.

¹¹⁴⁸ Melvin, Neil J. (2000) *Uzbekistan: Transition to Authoritarianism on the Silk Road*, Amsteldijk, Harwood Academic Publishers, p.82.

Islam Karimov has stated that Islamic militants are able to find recruits because of the disastrous socio-economic conditions experienced by most Uzbeks, demographic problems in some regions, mass unemployment and economic insecurity, especially for the young. This has prompted the president to decree an around 40 per cent rise in the minimum wage and pension benefits and to call for structural economic reforms as the country can not rely on production of raw materials and semi-finished goods alone. These proposed measures still need to be implemented, however. The investor interest in the Uzbek industry appears low and privatisation proceeds slowly. The combined effect of the failure of the government to address economic issues and the simultaneous repression of the freedom of religious expression has already caused popular unrest and will probably cause further dissatisfaction as well.¹¹⁴⁹

When the government's obligation to provide the population with employment was abolished in 1992, the level of unemployment rose sharply. The actual level of unemployment is hard to measure because many people are still formally employed, but without having any work tasks or receiving payment. At the mid-1990s approximately two million people were estimated to be unemployed or under-employed, but very few of them were registered as unemployed. Only the people who are registered as unemployed receive unemployment benefits. The problem is further exacerbated by the rapid population growth.¹¹⁵⁰ The level of unemployment is higher in the rural areas than in the urban areas. The high level of unemployment has consequences for the maintenance of ethnic calm as well. Since most of the ethnic Uzbeks live in the rural areas, where work in the agricultural sector or as traders in the local markets are the main occupations, a disproportionate part of the Uzbeks are unemployed in comparison to other ethnic groups, which has caused ethnic tensions.¹¹⁵¹

¹¹⁴⁹ "Government Response to IMU Threat Fuels Radicalism in Uzbekistan" (2001) *Eurasianet.org*, 24 July, downloaded from the Internet 1 August 2001 on <http://www.eurasianet.org>. See also Petrov, N.I. (2001) "Political Stability in the Conditions of the Command-Administrative Regime" in Vassiliev, Alexei (ed.) *Central Asia. Political & Economic Challenges in the Post-Soviet Era*, London, Saqi Books, p.97.

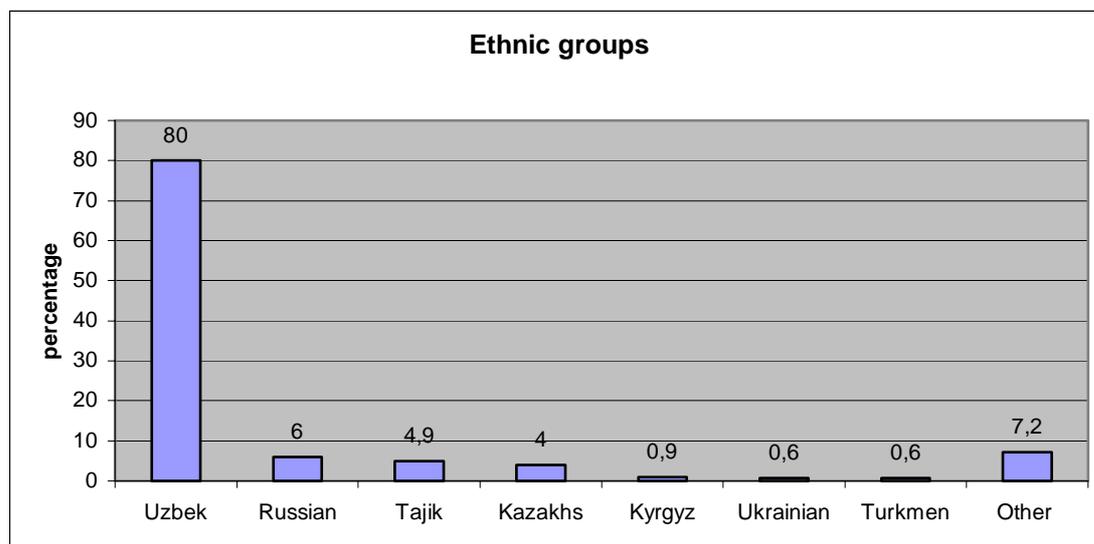
¹¹⁵⁰ *Uzbekistan. Länder i fickformat*, nr.915 (1999), Stockholm, Utrikespolitiska institutet, p.30.

¹¹⁵¹ Schlyter, Birgit N. (1996) "Uzbekistan – från bomullskoloni till regional stormakt" in Petersson, Bo & Svanberg, Ingvar (eds.) *Det nya Centralasien: fem forna sovjetrepubliker i omvandling*, Lund, Studentlitteratur, p.151.

Ethnically Related Threats

The ethnic composition of Uzbekistan

Figure 8. Ethnic groups in Uzbekistan



Uzbekistan is the most ethnically homogenous country in the Central Asian region. The titular population comprises 80 per cent of the total population (estimated to approximately 24.7 million people in July 2000) according to official statistics. There are nearly one and a half million ethnic Russians in Uzbekistan, which makes them the largest minority group, but they are only six per cent of the total population.¹¹⁵² Islam has a consolidated and stable position among the Uzbek, Tadjik, Kyrgyz and Turkmen parts of the population. However, fears have been raised that elements among the local Tadjiks, constituting nearly five per cent of the population, could become a source of political as well as Islamic terrorism in Uzbekistan. The Tadjik part of the population in Uzbekistan have made requests about the formation of an independent territory and strengthened cultural autonomy in the regions of Samarkand and Bukhara. These Tadjik ambitions could have a destabilising impact on the political and social situation in Uzbekistan.¹¹⁵³

The close to one million Tadjiks living in Uzbekistan have periodically been pressured towards becoming more “Uzbek”, both under the Soviet rule and during independence, which exacerbates the fear of potential interethnic tensions. The number of schools giving education in the Tadjik language has been severely restricted, before as well as after independence, and

¹¹⁵² CIA (2000) *The World Factbook 2000. Uzbekistan*. (online), downloaded from the Internet 11 November 2001 on <http://www.odci.gov/cia/publications/factbook/geos/uz.html>. According to the UNDP the population in Uzbekistan was 24.5 million in 2000, see ICG (2001) *Central Asia: Uzbekistan at Ten – Repression and Instability*, Asia Report No.21, Osh/Brussels 21 August, downloaded from the Internet 12 November 2001 on <http://www.crisisweb.org/projects/showreport.cfm?reportid=393>, p.1.

¹¹⁵³ Human Rights Watch, downloaded from the Internet on <http://www.hrw.org>; Romanova, N. (1999) *Ethno-Political Processes*, Almaty and *The Report on Social Research in Kazakhstan: Religious Extremism as a Factor of the Unstable Situation in Central Asia* (2000) Almaty, Centre of Humanitarian Research.

many Tadjiks living in Uzbekistan were registered as Uzbeks by force during the Soviet era and had this nationality written in their passports. This assimilation policy has been most severe for the above-mentioned Tadjik minorities in Bukhara and Samarkand. In 1992, demonstrations held in this area by ethnic Tadjiks expressing discontent about the Uzbek language replacing the Russian as the official state language were brutally dispersed by the Uzbek authorities.¹¹⁵⁴ The Tadjik civil war caused further problems for the Tadjiks in Bukhara and Samarkand who wanted to help fleeing refugees, which was prevented by the government that tried to cut off all links with Tadjikistan.¹¹⁵⁵

Despite the relative political stability maintained by President Islam Karimov, emigration of the Russian population has increased. Since the Uzbek society is the most “Islamised” and traditional in Central Asia and comparatively ethnically homogeneous, the Russians living in Uzbekistan have felt particularly alien after Uzbekistan gained independence.¹¹⁵⁶ This has caused many Russians to leave Uzbekistan, as will be further developed below. Approximately 16 per cent of the population in Uzbekistan are Russian-speaking of whom less than half are ethnic Russians, but this group has formed a backbone of the skilled working force in Uzbekistan, especially the specially trained working class, technical intelligentsia and physicians. Russia initially insisted on dual citizenship for the Russian-speaking population, which is something the Uzbek government has declared unacceptable. In an effort to try to preserve good relations with Uzbekistan, Moscow seems to have chosen not to push the issue of the Russian-speaking population too hard.¹¹⁵⁷

Nevertheless, even the Uzbek authorities admit that, among others, questions of language, children’s education and preservation of cultural traditions will be hard for the ethnic Russians remaining in Uzbekistan during the coming years. The problems for the around 2.5 million Russian-speakers will probably be the most difficult.¹¹⁵⁸ Uzbek was declared the official language of Uzbekistan in October 1989 and the conditions for the gradual replacement of the Russian language with the Uzbek language in official functions were presented. In 1993, the parliament decided that a Latin alphabet should replace the Uzbek Cyrillic alphabet over a five-year-period from 1995 to 2000. All in all, the Russian language is likely to lose its position as both *lingua franca* and generally understood second language as new generations are born.¹¹⁵⁹

The titular population of the Autonomous Republic of Karakalpakistan (estimated to 2.5 per cent of the total population in 1996) in western Uzbekistan proclaimed the region’s independence in December 1990. A movement working for an independent Karakalpakistan

¹¹⁵⁴ Petersson, Bo (1996) “Tadjikistan – ändlösa konflikter i en artificiell stat”? in Petersson, Bo & Svanberg, Ingvar (eds.) *Det nya Centralasien: fem forna sovjetrepubliker i omvandling*, Lund, Studentlitteratur, p.79.

¹¹⁵⁵ *Central Asia: Uzbekistan at Ten – Repression and Instability*, Asia Report No.21, Osh/Brussels 21 August, downloaded from the Internet 12 November 2001 on <http://www.crisisweb.org/projects/showreport.cfm?reportid=393>, p.17.

¹¹⁵⁶ Zviagelskaia, Irina D. & Naumkin, Vitali V. (1999) “Non-Traditional Threats, Challenges and Risks in the Former Soviet South” in Menon, Rajan, Fedorov, Yuri E. & Nodia, Ghia (ed.s) *Russia, the Caucasus and Central Asia: the 21st Century Security Environment*, New York, M. E. Sharpe, Inc., p.237.

¹¹⁵⁷ Petrov, N.I. (2001) “Political Stability in the Conditions of the Command-Administrative Regime” in Vassiliev, Alexei (ed.) *Central Asia. Political & Economic Challenges in the Post-Soviet Era*, London, Saqi Books, pp.98-99.

¹¹⁵⁸ *Ibid.*, p.99.

¹¹⁵⁹ Schlyter, Birgit N. (1996) “Uzbekistan – från bomullskoloni till regional stormakt” in Petersson, Bo & Svanberg, Ingvar (eds.) *Det nya Centralasien: fem forna sovjetrepubliker i omvandling*, Lund, Studentlitteratur, p.153-155. The rest of the education (less than 10 per cent) is given in some of the other minority languages.

was registered in the republic a year later. The strivings for independence are not likely to be successful, however. Karakalpakistan covers approximately one third of the entire Uzbek territory, which the central regime is not likely to abandon. Moreover, the whole republic is an environmental disaster area since it is situated close to the increasingly desiccated Aral Sea that will require huge resources to mitigate, which is something the poor republic lacks. Perhaps most important, however, is the fact that there are almost as many ethnic Uzbeks living in Karakalpakistan as there are Karakalpak. There is education held in the Karakalpak language, which is a Turkic language closer to the Kazakh language than the Uzbek.¹¹⁶⁰

The complex ethnic composition of the newly independent Central Asian states is, however, not only an impediment for Uzbekistan. While acknowledging the difficulties posed by the ethnic minorities on Uzbek territory, the borders also works to Uzbekistan's advantage since the substantial Uzbek diaspora living in southern Kazakhstan, Turkmenistan and Tadjikistan constitute a considerable political force in these countries, which Tashkent can use to its advantage.¹¹⁶¹ The Uzbek diaspora living on the other side of the Uzbek-Afghan border is viewed with more suspicion, since the Uzbek authorities fear that there could be a growing ground for different forms of opposition against the present Uzbek regime among this group.¹¹⁶²

Migration trends and refugees

Between 1989 and 1992, 143,400 people migrated from Uzbekistan to Russia, which is more than from any other Central Asian country. A large amount of people have applied for Russian citizenship during the last years, which is almost always granted, although the difficulties involved in the selling of apartments for a fair price and transportation of possessions to Russia are considerable. The exodus of the skilled Russian population causes major concern for the Uzbek authorities, especially of those working in industries where Russians form the majority.¹¹⁶³ One of the concrete main reasons for the Russian emigration from Uzbekistan has been their lack of knowledge of the Uzbek language. The Uzbek government has tried to retain the Russian specialists needed especially in the high-technology sectors and health care at the same time as it has helped ethnic Uzbeks to gain key posts. As the numbers of locally skilled personnel grows and the country develops a policy for training experts abroad the Uzbek government will probably become less prone to keep the Russians from emigrating.¹¹⁶⁴

¹¹⁶⁰ CIA (2000) *The World Factbook 2000. Uzbekistan*. (online), downloaded from the Internet 11 November 2001 on <http://www.odci.gov/cia/publications/factbook/geos/uz.html>; Lubin, Nancy (1997) "Uzbekistan" in Glenn E. Curtis (ed.) *Kazakhstan, Kyrgyzstan, Tadjikistan, Turkmenistan and Uzbekistan: Country Studies*, Washington, Library of Congress Cataloging-in-Publication Data, pp.407-408 and Schlyter, Birgit N. (1996) "Uzbekistan – från bomullskoloni till regional stormakt" in Petersson, Bo & Svanberg, Ingvar (eds.) *Det nya Centralasien: fem forna sovjetrepubliker i omvandling*, Lund, Studentlitteratur, pp.129-157.

¹¹⁶¹ Petrov, N.I. (2001) "Political Stability in the Conditions of the Command-Administrative Regime" in Vassiliev, Alexei (ed.) *Central Asia. Political & Economic Challenges in the Post-Soviet Era*, London, Saqi Books, p.96.

¹¹⁶² Schlyter, Birgit N. (1996) "Uzbekistan – från bomullskoloni till regional stormakt" in Petersson, Bo & Svanberg, Ingvar (eds.) *Det nya Centralasien: fem forna sovjetrepubliker i omvandling*, Lund, Studentlitteratur, p.146.

¹¹⁶³ Petrov, N.I. (2001) "Political Stability in the Conditions of the Command-Administrative Regime" in Vassiliev, Alexei (ed.) *Central Asia. Political & Economic Challenges in the Post-Soviet Era*, London, Saqi Books, p.98-99.

¹¹⁶⁴ Zviagelskaia, Irina D. & Naumkin, Vitali V. (1999) "Non-Traditional Threats, Challenges and Risks in the Former Soviet South" in Menon, Rajan, Fedorov, Yuri E. & Nodia, Ghia (eds.) *Russia, the Caucasus and Central Asia: the 21st Century Security Environment*, New York, M. E. Sharpe, Inc., p.237.

Judging from the country's earlier behaviour, Uzbekistan would not be likely to accept any refugees resulting from the Afghan civil war and the American attacks on Afghanistan, even if they were ethnic Uzbeks. Moreover, in comparison to the porous Tadjik border, the Uzbek-Afghan border is relatively well protected and hard to penetrate despite the fact that the Uzbek border troops are the weakest link in the Uzbek defence. President Karimov has not shown any particular willingness to accept ethnic Uzbeks coming to Uzbekistan from neighbouring states in the past, going so far as to deport ethnic Uzbeks who fled Tadjikistan during the civil war.¹¹⁶⁵ As late as March 2001, about 50 ethnic Uzbeks holding Tadjik citizenship who had escaped from Tadjikistan to the Surkhan-Darya region near the Tadjik border during the Tadjik civil war were forcefully deported back to the Tadjik border. The government claimed that their proximity to Tadjikistan could facilitate collaboration with the IMU.¹¹⁶⁶

The local level and the importance of informal politics

Families and clans have continued to play an important role in the Uzbek society. There are six major clans from different geographical regions of the country that compete for power and influence in Uzbekistan. Islam Karimov belongs to the so-called western clan from the Samarkand-Jizzakh area that has been the most influential clan during the last half century. The other clans are represented in the government in proportion to their estimated present strength.¹¹⁶⁷ When President Karimov came to power he was quite successful in balancing the different regional groups and playing them off one against another. However, as he consolidated his power, it became increasingly clear that he had favoured people from the Samarkand elite who held the majority of the official posts. As a consequence, people from other regions and clans have felt increasingly neglected in the allocation of financial resources and power. According to the International Crisis Group, the discontent of those who feel they have lost out in Karimov's consolidation of power is one of the most serious potential sources of instability in present-day Uzbekistan.¹¹⁶⁸

Evidence of kinship patronage is even more abundant than the extensive regional patronage system. Loyalty to the president is essential for acquiring a good job and many businesses are run by relatives to people in the government. This ensures the continued strong connection between economics and politics in the country and diminishes the potential for any person who lacks the right political connections to promote a career. It has also resulted in a widespread corruption that is further nurtured by the centralised rule of Islam Karimov.¹¹⁶⁹

¹¹⁶⁵ ICG (2001) *Central Asian Perspectives on 11 September and the Afghan Crisis*, Central Asia Briefing, Osh/Brussels 28 September, downloaded from the Internet 2 October 2001 on <http://www.crisisweb.org/projects/showreport.cfm?reportid=439>.

¹¹⁶⁶ ICG (2001) *Central Asia: Uzbekistan at Ten – Repression and Instability*, Asia Report No.21, Osh/Brussels 21 August, downloaded from the Internet 12 November 2001 on <http://www.crisisweb.org/projects/showreport.cfm?reportid=393>, p.20.

¹¹⁶⁷ Schlyter, Birgit N. (1996) "Uzbekistan – från bomullskoloni till regional stormakt" in Petersson, Bo & Svanberg, Ingvar (eds.) *Det nya Centralasien: fem forna sovjetrepubliker i omvandling*, Lund, Studentlitteratur, p.151.

¹¹⁶⁸ ICG (2001) *Central Asia: Uzbekistan at Ten – Repression and Instability*, Asia Report No.21, Osh/Brussels 21 August, downloaded from the Internet 12 November 2001 on <http://www.crisisweb.org/projects/showreport.cfm?reportid=393>, pp.16-26.

¹¹⁶⁹ *Ibid.*, p.19.

Religiously Related Threats

The religious composition of the population in Uzbekistan

The major part of the population in Uzbekistan is Sunni Muslim, around 88 to 90 per cent according to official information. There are also some Shiah Muslims in Uzbekistan, primarily among the Tadjik ethnic group. As with the Shiites, the radical extremist groups in Uzbekistan are largely concentrated to the Ferghana valley in the eastern part of Uzbekistan where the influence of Wahhabism can be found. Unfortunately, however, there is no official information about the Wahhabis in Uzbekistan.¹¹⁷⁰

Islam has always been important in the Uzbek society and the Muslim population adhered to the Muslim traditions to a large extent even during the Soviet era. In 1988 to 1991 an Islamic revival took place in Uzbekistan also contributing to the rise of many extremist tendencies.¹¹⁷¹ The strong Islamic revival in Uzbekistan and the increase of Islamic extremist groups and activities in Uzbekistan has strong significance for the whole Central Asian region. Uzbekistan has by tradition been the most Islamic country in the region, but it is also the most populous country in Central Asia and the only Central Asian country that borders all the other countries in the region.

Radical Islam in Uzbekistan

Uzbekistan is one of the Central Asian countries that have been most affected by Islamisation, but this influence varies considerably between the different regions of the country. The Spiritual Directorate, that is the supreme religious body, is traditionally loyal to those in power and was pressured by lower affiliates during the late 1980s. Both unofficial and official mullahs with more radical agendas gathered Muslims in an effort to depose the incumbent Mufti, who heads the Directorate, in 1989 and 1990, but the authorities managed to disperse the demonstrators. As a consequence, the *Islamic Renaissance Party* emerged to gather the Islamic opposition with many unofficial mullahs among them.¹¹⁷²

The authorities immediately took measures to prevent the establishment of this and other parties with similar religious agendas. In February 1991, a law was passed that, among other things, bans the creation of political parties with religious programmes.¹¹⁷³ The government has tried to promote a moderate form of Islam, for example through the state-controlled *madrassas* (theological colleges), and deviations from the unofficial form have been

¹¹⁷⁰ Babadzanov, B. (1999) "The Fergana Valley: Source or Victim of Islamic Fundamentalism", *Central Asia and the Caucasus*, Vol.5, No.4; Burkhanov, K.N. (2000) *Extremism in Central Asia*, Almaty, Agance France Press and *The Report on Social Research in Kazakhstan: Religious Extremism as a Factor of the Unstable Situation in Central Asia* (2000) Almaty, Centre of Humanitarian Research.

¹¹⁷¹ Burkhanov, K.N. (2000) *Extremism in Central Asia*, Almaty, Agance France Press; *Interview with Akhmad T. Kakhorov*, Attaché of the Embassy of the Republic of Tadjikistan in Kazakhstan, conducted by Olga Melkova, Almaty, 13 January 2001; Ponomarev, V. (1999) "Mass Repression in Uzbekistan as a Factor of Destabilisation", *Shapagat Nur*, No.11, December; Sergeenko, V. (2000) "Political Islam in Central Asia", *Continent*, 19 April – 2 May and Vasi, Ahmad (1999) "Bleeding Wound of Islamic Umma", *Shapagat Nur*, No.1, February.

¹¹⁷² Petrov, N.I. (2001) "Political Stability in the Conditions of the Command-Administrative Regime" in Vassiliev, Alexei (ed.) *Central Asia. Political & Economic Challenges in the Post-Soviet Era*, London, Saqi Books, p.80.

¹¹⁷³ Schlyter, Birgit N. (1996) "Uzbekistan – från bomullskoloni till regional stormakt" in Petersson, Bo & Svanberg, Ingvar (eds.) *Det nya Centralasien: fem forna sovjetrepubliker i omvandling*, Lund, Studentlitteratur, p.141.

suppressed. Several independent clerics have been arrested or removed from their positions in a drive that was intensified when the Taliban took control of Kabul in 1996.¹¹⁷⁴ These measures to ensure government control of the local Muslim communities have been taken despite the fact that religion and state are officially separate according to the constitution. The current Mufti was appointed by the president, which also contradicts the official separation between religion and the state. He is viewed with suspicion by many members of the Muslim community, making it hard for the government to influence the religious development in the country.¹¹⁷⁵

The authorities have oscillated between periods of relative liberalisation and periods of reprisals and have also given some generous promises to the Islamists, but all have not been implemented. The promise to introduce compulsory religious education has, for example, remained on paper and the fear of Islamic fundamentalism remains very strong among the authorities. The Islamic opposition is nevertheless active and makes no attempts to conceal its criticism against the sitting regime.¹¹⁷⁶ In addition to the many religious organisations that have been formed during the post-communist period there are a number of more or less secret religious associations in Uzbekistan that have been in the area for several centuries and now seem to be gaining increasing support and strength. Examples include the secret and mystic Sufi brotherhoods. The geographically most dispersed and numerically strongest Sufi brotherhood, the *Naqshbandiya*, was founded in Bukhara in the twelfth century. The *Kubrawiya* and the *Qalandariya* are two other Sufi brotherhoods with most of their members in Karakalpakistan.¹¹⁷⁷

The Ferghana valley is today viewed as a centre for various extremist traits that could spread to the rest of the country. The fact that the region is less developed than the rest of Uzbekistan from a social and economic perspective has undoubtedly contributed to the strong position held by the religious extremist organisations in the region. Some of these organisations have as a goal to establish an Islamic state in the entire Central Asian region. The adherence of orthodox Sunni Islam of different varieties seems to grow very fast among the unemployed and young population in the Ferghana valley that are getting involved in the radical religious and political activities led by extremist organisations. Some of the extremist Islamic organisations in Uzbekistan receive financial and ideological support from fellow extremist organisations in the neighbouring countries, such as Afghanistan and Tadjikistan.¹¹⁷⁸

¹¹⁷⁴ Melvin, Neil J. (2000) *Uzbekistan: Transition to Authoritarianism on the Silk Road*, Amsteldijk, Harwood Academic Publishers, p.53.

¹¹⁷⁵ ICG (2001) *Central Asia: Uzbekistan at Ten – Repression and Instability*, Asia Report No.21, Osh/Brussels 21 August, downloaded from the Internet 12 November 2001 on <http://www.crisisweb.org/projects/showreport.cfm?reportid=393>, pp.12-15.

¹¹⁷⁶ Petrov, N.I. (2001) "Political Stability in the Conditions of the Command-Administrative Regime" in Vassiliev, Alexei (ed.) *Central Asia. Political & Economic Challenges in the Post-Soviet Era*, London, Saqi Books, p.80.

¹¹⁷⁷ Schlyter, Birgit N. (1996) "Uzbekistan – från bomullskoloni till regional stormakt" in Petersson, Bo & Svanberg, Ingvar (eds.) *Det nya Centralasien: fem forna sovjetrepubliker i omvandling*, Lund, Studentlitteratur, p.141.

¹¹⁷⁸ Burkhanov, K.N. (2000) Extremism in Central Asia, Almaty, Agance France Press; *Interview with Akhmad T. Kakhorov*, Attaché of the Embassy of the Republic of Tadjikistan in Kazakhstan, conducted by Olga Melkova, Almaty, 13 January 2001; Ponomarev, V. (1999) "Mass Repression in Uzbekistan as a Factor of Destabilisation", *Shapagat Nur*, No.11, December; Sergeenko, V. (2000) "Political Islam in Central Asia", *Continent*, 19 April – 2 May and Vasi, Ahmad (1999) "Bleeding Wound of Islamic Umma", *Shapagat Nur*, No.1, February.

The civil war in Tadjikistan has been used as a pretext for persecutions of Islamic groups, of which the *Islamic Renaissance Party*, founded as an Uzbek branch in 1991 and immediately banned, and the *Adolat Ujasmashy* (The Organisation of Justice) described below can be seen as examples. Although the former party managed to collect the 3,000 signatures required for registration, the party was denied it. Adolat was originally quite strong, which caused concerns for the authorities that responded with arrests of many activists, sentencing them for creating an illegal organisation. There are several such strictly religious groups based in the Ferghana valley that are viewed as a threat by the Uzbek regime. The valley is overpopulated and the level of unemployment is as high as 35 per cent. This has worsened the economic and social problems, especially in the urban areas, that create a breeding ground for Islamic fundamentalism.¹¹⁷⁹ The Namangan region, that is one of the three Uzbek regions in the Ferghana valley, has given rise to a substantial number of Islamic organisations and is consequently subject to particular government suspicion. This suspicion is reportedly mutual and even hostile feelings towards the central government are mounting.¹¹⁸⁰

According to the head of the nongovernmental organisation Human Rights Society in Uzbekistan, there are tens of thousands innocent young Muslims imprisoned in Uzbekistan. The relatives and friends of these people have caused several public riots in many districts of Uzbekistan following their demonstrations against the imprisonments. The riots have been put down harshly by the Uzbek authorities, which are bound to create more dissatisfaction among the Muslims in Uzbekistan.¹¹⁸¹ The authorities' methods for handling the political and religious situation in Uzbekistan have been questioned by many observers. As an example, a Russian researcher writes that the more democratically minded politicians and newspapers in Moscow express doubts about whether the authoritarian regime of Islam Karimov that allows neither secular nor Islamic opposition any significant political space, does not counteract its own purposes. According to many observers in Russia, who are generally suspicious about the threat of radicalised Islam, it would be better if a relatively loyal opposition would develop in Uzbekistan, than for the much more dangerous Islamic fundamentalism to grow stronger, first underground and later in the open.¹¹⁸²

The organisation *Hizb-ut-Tahrir*, further described below, claims that there are between 50,000 and 100,000 Muslims in Uzbek concentration camps. These figures are not confirmed, but International Crisis Group's fieldwork reports that there have been large-scale arrests and the government acknowledges the existence of camps.¹¹⁸³ Amnesty International reported in June 2000 that Uzbekistan had sentenced 55 people and executed 15 people since the

¹¹⁷⁹ Petrov, N.I. (2001) "Political Stability in the Conditions of the Command-Administrative Regime" in Vassiliev, Alexei (ed.) *Central Asia. Political & Economic Challenges in the Post-Soviet Era*, London, Saqi Books, p.84 and *Uzbekistan. Länder i fickformat*, nr.915 (1999), Stockholm, Utrikespolitiska institutet, p.21.

¹¹⁸⁰ ICG (2001) *Central Asia: Uzbekistan at Ten – Repression and Instability*, Asia Report No.21, Osh/Brussels 21 August, downloaded from the Internet 12 November 2001 on <http://www.crisisweb.org/projects/showreport.cfm?reportid=393> , p.18.

¹¹⁸¹ Voice of the Islamic Republic of Iran: "Uzbek riots caused by mass impoverishment – rights activist", 3 July 2001 in *BBC Monitoring Global Newslines – Central Asia Political*, 4 July 2001, from BBC Monitoring topic@mon.bbc.co.uk.

¹¹⁸² Petrov, N.I. (2001) "Political Stability in the Conditions of the Command-Administrative Regime" in Vassiliev, Alexei (ed.) *Central Asia. Political & Economic Challenges in the Post-Soviet Era*, London, Saqi Books, p.83.

¹¹⁸³ Evans, Gareth: "Force is Not the Way to Meet Central Asia's Islamist Threat", *International Herald Tribune*, 10-11 March 2001.

beginning of 1999.¹¹⁸⁴ As was mentioned above, the suppression of religious groups or individuals can have inter-ethnic tensions as a consequence as well. In June 2001 Uzbek courts condemned 73 ethnic Tadjiks from the southern Surkhandarya region to prison terms ranging from three to 18 years charged of supporting the activities of the *Islamic Movement of Uzbekistan* (IMU). The proceedings were held and the verdicts read without prior announcement, declaring all defendants guilty of providing IMU fighters with food and lodging, showing them mountain pathways and conducting foreign currency transactions with the militants with no material evidence presented to support the charges.¹¹⁸⁵

The inter-ethnic aspect of the religious threat is also proven in relation to the intensified crackdown against alleged radical Islamists after a series of bomb blasts in the capital Tashkent in February 1999 that may have been an assassination attempt on President Karimov. Karimov has been particularly concerned about the infiltration of unsanctioned Islam from other countries and he claimed that the majority of the so-called “religious fanatics” involved in the bomb attack were undergoing training in Chechnya, Afghanistan and Tadjikistan. Even though most of the people detained were citizens of Uzbekistan, Karimov emphasised that there were many ethnic Tadjik citizens of Uzbekistan who underwent such training in radical Islamic camps in Tadjikistan. IMU was one of the groups accused of being involved in the attack, further increasing the inter-state tension between Uzbekistan and Tadjikistan as well because of the IMU camps in the latter country.¹¹⁸⁶

Two years later, in the summer of 2001, the ethnic Tadjiks were once more made scapegoats as 73 ethnic Tadjiks were imprisoned for alleged collaboration with the IMU fighters that had attacked the southern Uzbek border the year before, despite very weak evidence. The homes of ethnic Tadjiks living close to the Uzbek border were destroyed and the families who were forced from their homes due to the attack were offered only poorly equipped accommodation at a camp. This has increased sentiments that Tadjiks are treated unfairly in Uzbekistan.¹¹⁸⁷

Radical Islamic organisations

Uzbekistan has become the host to a number of more or less radical Islamic organisations on the regional and national level. A number of these groups have found quite broad support, especially in the Ferghana valley. In addition to the earlier mentioned organisations, examples include *Islam Lashkarlari* (Warriors of Islam), *Tovba* (Repentance), *Akramiya* and the *Hizbollah*. At present, there is also a small group of Shiah Muslims operating underground in Uzbekistan. Islam Lashkarlari originated in the city of Namangan and spread to the rest of the Fergana valley between 1991 and 1992 with the aim to establish an Islamic state. Some of its members, including the present leader of the IMU, Tohir Yoldoshev, later fled to Tadjikistan

¹¹⁸⁴ Rashid, Ahmed (2001) "Central Asia Summary: Recent Developments in Uzbekistan, Tadjikistan", *Eurasianet Eurasia Insight*, 17 January, downloaded from the Internet 11 October 2001 on <http://www.eurasianet.org/departments/insight/articles/eav011701.shtml>.

¹¹⁸⁵ Struthers, Marie (2001) "Human Rights Activist Provides a View of Tashkent Trials", *Eurasianet.org*, 10 July, downloaded from the Internet 23 July 2001 on www.eurasianet.org.

¹¹⁸⁶ ICG (2001) *Central Asia: Uzbekistan at Ten – Repression and Instability*, Asia Report No.21, Osh/Brussels 21 August, downloaded from the Internet 12 November 2001 on <http://www.crisisweb.org/projects/showreport.cfm?reportid=393>, p.6 and Melvin, Neil J. (2000) *Uzbekistan: Transition to Authoritarianism on the Silk Road*, Amsteldijk, Harwood Academic Publishers, p.53-57.

¹¹⁸⁷ ICG (2001) *Central Asia: Uzbekistan at Ten – Repression and Instability*, Asia Report No.21, Osh/Brussels 21 August, downloaded from the Internet 12 November 2001 on <http://www.crisisweb.org/projects/showreport.cfm?reportid=393>, pp.19-20.

in order to escape the government persecutions where many ended up fighting with the opposition in the civil war. Tovba is another organisation from the Namangan region that was banned in 1992. The Akramiya is a radical off-shot of Hizb-ut-Tahrir still operating underground in Uzbekistan, as are some of the limited groups following the Wahhabi movement in the true sense. These are mainly confined to the Ferghana valley and have been under the influence of Wahhabi activists from Saudi Arabia. Some other groups have left the Ferghana valley for Tadjikistan, Afghanistan and Iran.¹¹⁸⁸

The Islamic Renaissance Party is one of the groups that wish to introduce the Islamic laws, *shariya*, for believers, but it does not want to overthrow the present regime by force.¹¹⁸⁹ When the organisation was banned in 1992, it was believed to have around 50,000 followers, mainly from the Ferghana valley centres of Namangan and Andijan. These areas have been subject to some of the most severe efforts by the government to crack down on unofficial Islamic groups like the campaigns in which several hundreds of members of the Islamic Renaissance Party were arrested.¹¹⁹⁰ Groups of Adolat began forming in the early autumn of 1991 in the Namangan region and later spread to the Ferghana and Andijan regions as well with the aim to combat criminals and violators of the shariya laws. In total there were more than 60 groups and detachments consisting of 15 to 2000 members each. Of the activists that were arrested by the authorities, most were later released after public pressure, but the measure seems to have had effect in the respect that the organisation's activities subsequently were considerably reduced.¹¹⁹¹ Adolat has been in control of the social life in the Namangan region, situated in the Ferghana valley. The goal of Adolat has been to build an Islamic state and the organisation was banned in March 1992. The Hizb-ut-Tahrir party that was founded in Uzbekistan in 1995 has worked in contact with Adolat.¹¹⁹²

Hizb-ut-Tahrir is generally considered as an ultra extremist organisation in Uzbekistan. The organisation has regional divisions in Samarkand, Tashkent and Ferghana oblasts, although its strongest position is in the latter region. Apart from the connection with Adolat, Hizb-ut-Tahrir is also reputed to have close contacts with the Tadjik extremist organisation *Brother-Muslims* and the Hizbollah.¹¹⁹³ The Hizbollah Islamic Group was illegal from the time it was founded. Hizbollah demands the return to the Shariyatic laws in Uzbekistan and the strengthening of moral principles based on Islamic traditions. The group is small with an estimated number of members ranging between 50 and 300 activists of which most are young.¹¹⁹⁴ It is established in the Ferghana valley and according to Ahmed Rashid, who has

¹¹⁸⁸ Ibid., p.13-15.

¹¹⁸⁹ Petrov, N.I. (2001) "Political Stability in the Conditions of the Command-Administrative Regime" in Vassiliev, Alexei (ed.) *Central Asia. Political & Economic Challenges in the Post-Soviet Era*, London, Saqi Books, p.84.

¹¹⁹⁰ ICG (2001) *Central Asia: Uzbekistan at Ten – Repression and Instability*, Asia Report No.21, Osh/Brussels 21 August, downloaded from the Internet 12 November 2001 on <http://www.crisisweb.org/projects/showreport.cfm?reportid=393> , p.13.

¹¹⁹¹ Petrov, N.I. (2001) "Political Stability in the Conditions of the Command-Administrative Regime" in Vassiliev, Alexei (ed.) *Central Asia. Political & Economic Challenges in the Post-Soviet Era*, London, Saqi Books, p.84.

¹¹⁹² Bazarov, A. (1997) "The Islamic Factor and Socio-Political Stability in Uzbekistan", *Ethnic and Regional Conflicts in Eurasia*; Burkhanov, K.N. (2000) *Extremism in Central Asia*, Almaty, Agance France Press and Rotar, I.: "Wahhabism in the Republics of the Former Soviet Union", *Nezavisimaya Gazeta*, 11 August 1998.

¹¹⁹³ Ibid.

¹¹⁹⁴ Petrov, N.I. (2001) "Political Stability in the Conditions of the Command-Administrative Regime" in Vassiliev, Alexei (ed.) *Central Asia. Political & Economic Challenges in the Post-Soviet Era*, London, Saqi Books, s.84.

written extensively about Islam in Central Asia, it follows Saudi Arabia's strict Wahhabi sect and is also funded by Saudi groups.¹¹⁹⁵

Hizb-ut-Tahrir, which has growing support not only in Uzbekistan but also in Kyrgyzstan and Tadjikistan, is one of the movements that aim to unite Central Asia in an Islamic caliphate. According to information from the group's own homepage, the earlier cooperation between this organisation and the Wahhabi movement ended because Hizb-ut-Tahrir wanted to introduce the religious laws, *shariya*, with peaceful means, whereas the Wahhabis preferred guerrilla warfare. This could be seen as evidence that the present regime, which as we have seen identifies Hizb-ut-Tahrir as an ultra extremist organisation, tends to exaggerate the threat posed by the Islamic groups. The risk of this exaggeration is reflected in the prediction by a senior leader of Hizb-ut-Tahrir, who said in an interview with Ahmed Rashid that he thought there still will be war, despite their peaceful intentions, because of the strong repression from the Uzbek and the other Central Asian regimes.¹¹⁹⁶

The Islamic Movement of Uzbekistan has had as its special mission to overthrow the secular regime under President Islam Karimov that they view as a betrayal against the Islamic faith in Uzbekistan. During the incursion into Kyrgyzstan in 1999, the IMU demanded that President Karimov should release 50,000 prisoners held in Uzbekistan on terrorist charges of which most were Muslims as a condition for the IMU to release the hostages they had taken on Kyrgyz soil. Juma Namangani also claimed that he and his supporters, who were estimated to number approximately 400 people at the time, would launch an Islamic crusade against Uzbekistan.¹¹⁹⁷

However, the movement seems to have increasingly broadened their agenda. According to a message from the IMU leaders, Tohir Yoldoshev and Juma Namangani, all radical Islamic groups and parties in Kazakhstan, Kyrgyzstan, Tadjikistan, Uzbekistan and China's autonomous Xienjiang-Uighur region are now included in their movement, which they have renamed as the Islamic Movement of Turkestan. The present goal of the renamed movement is to establish an Islamic caliphate that unites not only the Central Asian region but also eastern Turkestan (in the northeast of China that is dominated by ethnic Muslim Uighurs). The new movement – or party, which is the literal translation – was set up in the Afghan town Dehadi and is today reported to include Chechens, Arabs and Pakistanis apart from people from the above-mentioned countries.¹¹⁹⁸ The degree of truth of this statement is not verified, but it nevertheless points to the ambitions held by parts of the movement's leadership. If the IMU strengthens its contacts with other radical Islamic groups in the region it will be a much greater force to be reckoned with in Central Asia.

¹¹⁹⁵ Rashid, Ahmed (2000) "Asking for Holy War", *Far Eastern Economic Review*, 9 November, p.30.

¹¹⁹⁶ *Ibid.*, pp.28-30.

¹¹⁹⁷ The International Institute for Strategic Studies (IISS) (2000) *The Military Balance 2000/2001*, London, Oxford University Press, p.159.

¹¹⁹⁸ Kabar news agency: "Kyrgyz defence official says new radical Islamic party set up in Central Asia", *BBC Monitoring Former Soviet Union – Political*, 25 May 2001, downloaded on the Internet on Reuters Business Briefing 18 September 2001, Kabar news agency: "Uzbek terrorist movement said transformed into Islamic Party", *BBC Monitoring Former Soviet Union – Political*, 24 May 2001, downloaded on the Internet on Reuters Business Briefing 18 September 2001 and *Nezavisimaya gazeta*, 29 May 2001, p.5.

Economically Related Threats

Illegal trade

One of the roots of potential regional conflicts identified as a security threat towards Uzbekistan by President Karimov is found in the drug smuggling, even though Uzbekistan is probably less involved in the drug trade than Kyrgyzstan and Tadjikistan (even though the actual level of the drug trade is hard to estimate due to the widespread corruption in Uzbekistan). According to the deputy head of the Interior's Ministry's department for fighting drug trafficking and illegal circulation of drugs, the inflow of hard drugs like opium, heroin and hashish from Afghanistan is increasing. Official estimates reveal that the police registered more than double the number of drug-related crimes in 1999 and 2000 than between 1995 to 1998. The chief prosecutor of western Kharazm region, where drug-associated crimes are rising despite measures taken by the law-enforcement agencies, thought that the real figure of drug-related crimes was higher. An increasing number of women and young unemployed people are getting involved in the drug trade. The prosecutor also admitted that five police officers had been arrested in 2000 for involvement in narcotics trafficking. According to the Human Development Report for the year 2000, the highest rates of drug use are found in the Tashkent, Samarkand, Bukhara and Navoiy regions in addition to the above-mentioned Kharazm region.¹¹⁹⁹

There were around 200,000 drug abusers among in Uzbekistan in 2000, according to most observers, but the problem is growing. Registered addicts are subject to compulsory treatment in accordance with a new law on narcotics substances and psychotropic agents that took effect in January 2000, but otherwise little is being done to prevent the spread of abuse and rehabilitate the users. The political will to fight the combined drug issue is high, but hampered by a lack of resources. Nevertheless, Uzbekistan has taken a leading regional initiative in the fight against the illegal drug trade. According to the State Commission on Drug Control, the law enforcement agencies seized 1.5 metric tons of opium and 450 kilograms of heroin in the first nine months of 2000, which was largely a result of the stepped up record of the Customs Service.¹²⁰⁰

Conclusions

Uzbekistan is one of the most ethnically homogeneous countries in Central Asia, but the role and treatment of the ethnic Tadjiks have been a troubling issue that could become intensified both internally in Uzbekistan and in relation to Tadjikistan. Uzbekistan is also traditionally one of the most devoted Islamic countries in the region. This has caused many Russians to feel alienated and leave the country. Furthermore, as the regime of Islam Karimov is considered as quite secular, frictions have occurred between the regime and more orthodox

¹¹⁹⁹ ICG (2001) *Central Asia: Uzbekistan at Ten – Repression and Instability*, Asia Report No.21, Osh/Brussels 21 August, downloaded from the Internet 12 November 2001 on <http://www.crisisweb.org/projects/showreport.cfm?reportid=393>, p.25 and Uzbek Television first channel: "Uzbek anti-drugs official says Central Asian drug trafficking increasing", 24 June 2001 in *BBC Monitoring Global Newslines – Central Asia Political*, 25 June 2001, from BBC Monitoring topic@mon.bbc.co.uk.

¹²⁰⁰ NATO Partnership for Peace Documentation Center *Europe and Central Asia*, downloaded from the Internet 19 October 2001 on www.isn.ethz.ch/pfdpc/e_index.htm.

Muslims in Uzbekistan. In addition, a number of radical Islamic groups that want to overthrow the present regime have emerged. The authorities have persecuted these groups fiercely, pressuring them towards increasing radicalisation since they have no legal space to work in.

The prospects for a dialogue between the government and the so-called extremist groups, who form the main opposition towards the present regime, are very limited and there is a clear risk that the internal tensions in Uzbekistan will intensify, especially in the ethnically complex and religiously devote Ferghana valley. This fear and the risk of increased internal tensions is intensified by the fact that the authorities have arrested not only extremists but also many ordinary citizens and Muslims. The International Crisis Group writes in an evaluation of the situation in Uzbekistan in 2001, that it is still possible to see a difference between militant groups, such as the IMU, and non-militant underground movements, represented primarily by the Hizb-ut-Tahrir. However, they fear that due to the state repression and worsening socio-economic conditions, this might soon not be the case.¹²⁰¹

There is consequently a well-founded fear that the radical extremism will spread also to other parts of the country. However, since the Ferghana valley is the least developed and poorest part of Uzbekistan with a relatively high rate of unemployment it should come as no surprise that the strongest support of radical groups are found here. If the socio-economic conditions get worse in other parts of the country, the risk that the so-called extremist tendencies will spread to these areas increases. The illegal drug trade is also likely to continue against the same background, but there are indicators that the stepped-up border control has given some results in this respect.

¹²⁰¹ ICG (2001) *Central Asia: Uzbekistan at Ten – Repression and Instability*, Asia Report No.21, Osh/Brussels 21 August, downloaded from the Internet 12 November 2001 on <http://www.crisisweb.org/projects/showreport.cfm?reportid=393>, p.15.

Turkmenistan

Figure 9. Regional differences



- The south of Turkmenistan has a high concentration of Muslims and increasing activities of Islamic radicals influenced by the neighbouring Central Asian countries.
- In the north of Turkmenistan, illegal activities of radical organisations have occurred.
- Sunni Islam dominates the main part of the country.

Introduction

The obligation to be loyal to your clan regardless of your own opinion is an essential element inherent in the traditional clan structure that still plays an important role in Turkmenistan. This tradition has been put forward as one of the reasons for the continuing relative support of President Saparmurat Niyazov and an explanation for the lack of overt opposition against the present regime.¹²⁰² Another explanation is the implementation of a quite efficient socio-

¹²⁰² Swiecicka, Elzbieta (1996) "Turkmenistan i förvandling" in Petersson, Bo & Svanberg, Ingvar (eds.) *Det nya Centralasien: fem forna sovjetrepubliker i omvandling*, Lund, Studentlitteratur, p.110.

economic reform programme. Regardless of the level of support from the population, Niyazov keeps the country under a strict autocratic rule that leaves no room for opposition. As a consequence, the information coming both officially from Turkmenistan and from the independent sources that manage to escape the close monitoring is very sparse.

Turkmenistan is the country that has maintained the closest connections with the Taliban regime of all the Central Asian countries, which has made the country less exposed to many of the threats facing the other countries who haven't chosen to support the Northern Alliance at the expense of the Taliban. In contrast to the other Central Asian countries, Turkmenistan has increased its economic ties with the Taliban regime over the last years and has provided electricity and energy supplies to the Taliban controlled part of Afghanistan. However, Turkmenistan has also maintained quite good contacts with the Northern Alliance and Niyazov does not support the religious-political form of Taliban regime, but has maintained close links with the both rivaling forces in Afghanistan for economic reasons. Turkmenistan has been declared a permanently neutral country by the UN and, as the country would profit most from peace in Afghanistan, the country has tried to bring the Northern Alliance and the Taliban together for peace negotiations.¹²⁰³

A Few Words on Military Capacity

Turkmenistan has not stated the numbers in their military forces officially and the figures that are nevertheless reported vary widely. The armed forces in Turkmenistan had approximately 17,500 actives of which the bulk of about 14,500 served in the army and 3,000 served in the air forces and air defence in the beginning of the 1990s. During the last years, however, the size of the border guards has become quite considerable and the borders of the country are generally relatively well protected. Turkmenistan has announced an intention to form a navy or coast guard in the close future. At present, the Russian Federation Caspian Sea Flotilla is operating as a joint Russian, Kazakh and Turkmen flotilla in the Caspian Sea under a Russian command based in Astrakhan.¹²⁰⁴ According to CIA figures, 3.4 per cent of the Turkmen GDP was spent on military expenditures in 1999.¹²⁰⁵

Socio-Economic Factors

Turkmenistan has preferred to develop bilateral economic contacts with the other post-Soviet states in order to solve the country's economic dependency and be able to negotiate directly with Russia on economic issues and with its energy customers about prices and supplies. Before alternative transport routes had been built, Turkmenistan was totally dependent on the Russian-controlled former Soviet pipelines in order to supply the country's vast energy

¹²⁰³ Compare with ICG (2001) *Central Asian Perspectives on 11 September and the Afghan Crisis*, Central Asia Briefing, Osh/Brussels 28 September, downloaded from the Internet 2 October 2001 on <http://www.crisisweb.org/projects/showreport.cfm?reportid=439> and Rashid, Ahmed (2001) "Central Asia Summary: Recent Developments in Kazakhstan, Kyrgyzstan and Turkmenistan", *Eurasianet Eurasia Insight*, 18 January, downloaded from the Internet 1 October 2001 on <http://www.eurasianet.org/departments/insight/articles/eav011801.shtml>.

¹²⁰⁴ The International Institute for Strategic Studies (IISS) (2001) *The Military Balance 2001/2002*, London, Oxford University Press, p.170-171.

¹²⁰⁵ CIA (2000) *The World Factbook 2000. Turkmenistan*. (online), downloaded from the Internet 10 March 2001 on <http://www.odci.gov/cia/publications/factbook/geos/tx.html>.

resources to countries abroad. As a consequence, the country had limited possibilities to sell to hard currency markets in Eastern and Western Europe, but had to concentrate on the other post-Soviet states, which often have had difficulties in paying during their time of independence. A drastic drop in production followed for Turkmenistan with subsequent economic decline and serious socio-economic crisis. In 1997, a gas pipeline was built to Iran for future access to the Turkish market, but it has only provided minor help. Despite the country's plentiful resources, Turkmenistan has thus been one of the largest economic losers during the post-Soviet period.¹²⁰⁶

The recession during the first two years of independence was not as deep in Turkmenistan as it was in the other post-Soviet states, but in 1994-1996 the consequences of the breakdown in the inter-republican economic links and the problems with mutual payments worsened and accelerated the fall in industry production. Especially the recession in the gas industry meant serious economic problems for the economy that have not yet been fully solved. Also the cotton production, that is the second most important branch of the economy, is facing difficulties. In the consumer market, the amount of goods turnover has decreased at the same time as the prices of goods and services has increased at a rate faster than the growth of the incomes. The standards of living are consequently low for the majority of the population and the differences in income level and social status have grown. This is one factor that could pose a potential challenge to the authorities if they fail to stabilise the social situation.¹²⁰⁷ According to the EBRD figure for 1999, 49 per cent of the Turkmen population were estimated to live in poverty and the actual level of unemployment was estimated to about 20 per cent, although there is no officially acknowledged unemployment and consequently no unemployment benefits either.¹²⁰⁸

In response to the economic recession the government launched a reform programme at the end of 1992 called "Ten Years of Welfare" that aimed to improve standards of living and welfare.¹²⁰⁹ The proclaimed goal was to solve the country's economic and social problems until 2002. The programme included promises of free electricity, gas and water to all citizens and later bread was also included. This measure is one likely reason for the strong support President Niyazov enjoys in the country.¹²¹⁰ The reforms have had some success and the relative economic isolation from Russia (in comparison with the other Central Asian states) helped the country avoid the consequences of the Russian financial crisis in August 1998 that affected most of the CIS economies. According to one Russian researcher the continued success of the reforms will depend on the consistency in the implementation of the reforms,

1206 Spruyt, Hendrick & Ruseckas, Laurent (1999) "Economics and Energy in the South" in Menon, Rajan, Fedorov, Yuri E. & Nodia, Ghia (eds.) *Russia, the Caucasus and Central Asia: the 21st Century Security Environment*, New York, M. E. Sharpe, Inc., p.99; Zubarevich, Natalia V. & Fedorov, Yuri E. (1999) "Russian-Southern Economic Interaction" in Menon, Rajan, Fedorov, Yuri E. & Nodia, Ghia (eds.) *Russia, the Caucasus and Central Asia: the 21st Century Security Environment*, New York, M. E. Sharpe, Inc., p.124 and Webber, Mark (1997) *CIS Integration Trends. Russia and the Former Soviet South*, London, Royal Institute of International Affairs, p.33.

¹²⁰⁷ Dudarev, K.P. (2001) "A Post-Communist Authoritarian Regime" in Vassiliev, Alexei (ed.) *Central Asia. Political & Economic Challenges in the Post-Soviet Era*, London, Saqi Books, p.155 and Kalnichenko, L.N. & Semenova, N.N. (2001) "The Economy of Kazakhstan" in Vassiliev, Alexei (ed.) *Central Asia. Political & Economic Challenges in the Post-Soviet Era*, London, Saqi Books, pp.158-162.

¹²⁰⁸ European Bank for Reconstruction and Development (1999) *Transition Report 1999. Ten Years of Transition*, London, EBRD, pp.275-276.

¹²⁰⁹ L.N. Kalnichenko & N.N. Semenova: "The Development of the Economy in the 1990s" in Alexei Vassiliev (ed.), *Central Asia. Political & Economic Challenges in the Post-Soviet Era*, Saqi Books, London, 2001, p.162.

¹²¹⁰ *Turkmenistan. Länder i fickformat*, nr.916 (1999), Stockholm, Utrikespolitiska institutet, p.15.

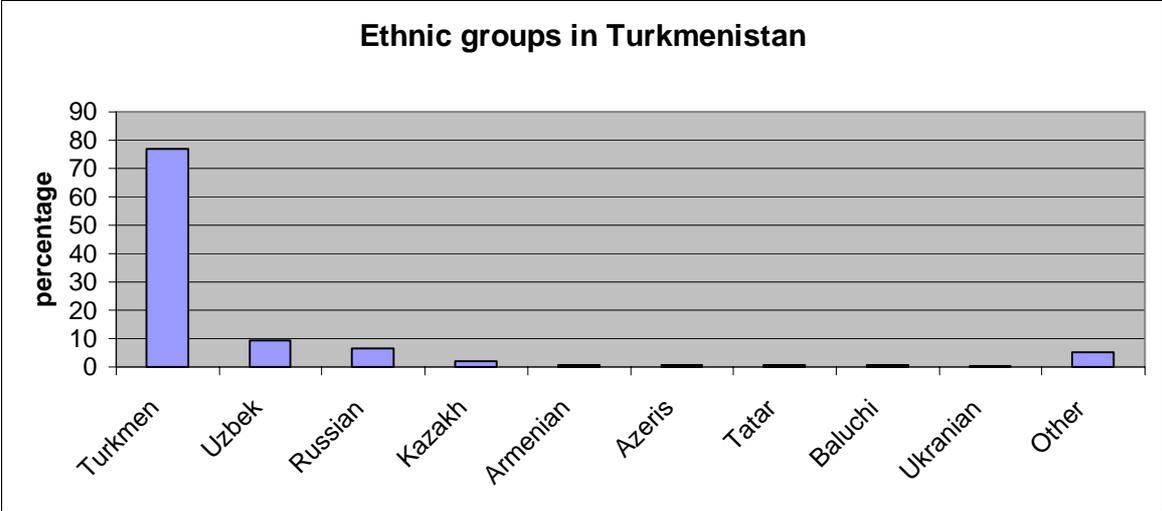
on the ability to make balanced decisions and on genuine attempts to fight the corruption in the country. In the absence of full statistical data for 1997-1998 he also deemed it difficult to make a reliable judgement of the social consequences of the reforms even though he saw positive signs in their previous gradual implementation.¹²¹¹

Ethnically Related Threats

The ethnic composition of Turkmenistan

Turkmenistan is ethnically a relatively homogenous country in the Central Asian region. The titular population makes up 77 per cent of the total population in Turkmenistan and the Uzbeks constitute the largest minority group with 9.2 per cent of the entire population. There is also a group of Russians in Turkmenistan comprising 6.7 per cent of the total population and a small group of Kazakhs comprising 2 per cent. None of the other minority groups constitute more than one per cent of the population in Turkmenistan. More than half of the population in Turkmenistan or approximately 2.6 million people live in rural areas and slightly more than two million live in urban areas. The Muslim belief is dominant among the Turkmen, Uzbek, Kazakh and the small Azeri and Tatar groups in the country.¹²¹² The population in Turkmenistan was estimated to slightly more than 4.5 million people in mid-2000.¹²¹³

Figure 10. Ethnic groups in Turkmenistan



Even though the Russian minority in Turkmenistan was comparatively small in relation to the minorities in the other Central Asian states, they still contributed to 95 per cent of the

¹²¹¹ L.N. Kalnichenko & N.N. Semenova: “The Development of the Economy in the 1990s” in Alexei Vassiliev (ed.), *Central Asia. Political & Economic Challenges in the Post-Soviet Era*, Saqi Books, London, 2001, pp.171-172.

¹²¹² *Human Rights and Democratisation in Uzbekistan and Turkmenistan* (2000), Washington, OSCE; King, J., Noble, J. & Humphreys, A. (1998) *Central Asia. A Lonely Planet Survival Kit*, Hawthorn, Lonely Planet Publication and *Population of the Republic of Turkmenistan* (1999) Statistical Yearbook, Ashkhabad.

¹²¹³ CIA (2000) *The World Factbook 2000. Turkmenistan*. (online), downloaded from the Internet 10 March 2001 on <http://www.odci.gov/cia/publications/factbook/geos/tx.html>.

republic's budget because of their employment in the oil and gas industry. The authoritarian regime of President Saparmurat Niyazov has prohibited the Russian specialists that dominate the high-technology sectors to leave. In addition, the regime has introduced a ban on the selling of dwellings and restricted the exportation of property for the ethnic Russians. The main reasons for why the Russians in Turkmenistan have attempted to leave have been the hard social and economic conditions. Because of the rationing system, shortage of foodstuffs and, not least important, lack of contacts with the countryside for obtaining additional food, the Russians have found themselves in an even worse situation than the ethnic Turkmen.¹²¹⁴

The constitution proclaims that the state language of the country is Turkmen. The status of the Russian language was not fixed in the constitution and it was envisaged that Turkmen would take over as the language of the workplaces by 1996. Furthermore, the Roman script is introduced in Turkmenistan and will be used in the workplaces from 2001. This promotion of the Turkmen language is a major problem for the Russian-speaking population of which less than five per cent are fluent in Turkmen. The leadership explains the reduction in the use of the Russian language by the steady decrease of Russians in Turkmenistan as a consequence of both emigration and the higher birth rates among the ethnic Turkmen.¹²¹⁵

The leadership has been aware of the need to ensure the social protection of the Russian-speaking population who are a vital asset in the industry, dominating for example in the gas industry that yields about 75 per cent of the budget proceeds. The economic weight of the Russian-speaking population does not, however, correspond to their political status even though their share among the decision-makers has been higher than in the other Central Asian states. There has been a rapid "Turkmenisation" of the leadership after independence, but Russian managers still persist in industry and especially in the science-intensive enterprises. Turkmenistan is the only Central Asian country that has declared in its constitution that the head of state must be representative of the indigenous *ethnos*.¹²¹⁶ The constitution also postulates that "true Turkmen" should have first access to rights of ownership and employment, probably implying that Russians but also Turkmen abroad would come second in case of disputes.¹²¹⁷

In May 1992 there was an attempt to set up a Russian Community in Turkmenistan in order to protect the interests of the Russian-speaking population, but the authorities stopped the attempt. According to the president, such a step ran counter to the constitution of the country. It is not, however, the ethnic Russians or Russian-speaking part of the population that has suffered most in terms of discrimination, but the small groups of Armenians and Azerbaijanis. They only constitute around one per cent each of the total population, but are the only non-indigenous groups that are increasing.¹²¹⁸ The Uzbek minority that lives along the Amu-Darja River in the northeast of the country bordering on Uzbekistan and the Kazakhs living close to the Turkmen-Kazakh border can travel freely across the borders. Moreover, Turkmenistan has

¹²¹⁴ Zviagelskaia, Irina D. & Naumkin, Vitali V. (1999) "Non-Traditional Threats, Challenges and Risks in the Former Soviet South" in Menon, Rajan, Fedorov, Yuri E. & Nodia, Ghia (eds.) *Russia, the Caucasus and Central Asia: the 21st Century Security Environment*, New York, M. E. Sharpe, Inc., pp.236-237.

¹²¹⁵ Dudarev, K.P. (2001) "A Post-Communist Authoritarian Regime" in Vassiliev, Alexei (ed.) *Central Asia. Political & Economic Challenges in the Post-Soviet Era*, London, Saqi Books, pp.142-143.

¹²¹⁶ *Ibid.*, p.143.

¹²¹⁷ Swiecicka, Elzbieta (1996) "Turkmenistan i förvandling" in Petersson, Bo & Svanberg, Ingvar (eds.) *Det nya Centralasien: fem forna sovjetrepubliker i omvandling*, Lund, Studentlitteratur, p.113.

¹²¹⁸ Dudarev, K.P. (2001) "A Post-Communist Authoritarian Regime" in Vassiliev, Alexei (ed.) *Central Asia. Political & Economic Challenges in the Post-Soviet Era*, London, Saqi Books, p.144.

bilateral agreements with Kazakhstan and Uzbekistan on mutual education in minority languages and free choice of where to study, which enables parents in Turkmenistan to send their children to higher education in these two countries. This can probably serve to reduce inter-ethnic tensions.¹²¹⁹

On average, the inter-ethnic relations in Turkmenistan have remained relatively calm, which is largely due to the fact that tribal identification plays a much more important role in the Turkmen society than ethnic identification. The small percentage of the non-Turkmen population and their lack of political influence keeps the nationalist tendencies weak and the president's declarations on positive attitudes towards the Russian-speaking population have also helped to maintain the inter-ethnic peace. In the words of Niyazov, the thousands of Russians and Ukrainians living in Turkmenistan are citizens of the country just like the indigenous Turkmens are and they are one of the reasons why there will always be a connecting bridge between Turkmenistan and these countries. Consequently, instigation of inter-ethnic hatred is one of the gravest crimes in Turkmenistan.¹²²⁰

Migration

There was an increase in migration of the Russian speaking population during the early years of independence even though Turkmenistan has been relatively stable and peaceful. Seven per cent of the Russian-speaking population left Turkmenistan in 1989 to 1991, but three per cent did so in 1993 alone. This happened despite the law granting citizenship in Turkmenistan to all people living on the country's territory on the day the law was adopted. There was however a simultaneous growth in anti-Russian attitudes among the indigenous population that was reflected even in the official press. The growth of "Turkmenisation" and the increasing importance of the role of Islam are further reasons why the Russians have felt uncomfortable in everyday life.¹²²¹

After Turkmenistan and Russia signed an agreement on dual citizenship in late 1993, in addition to agreements concerning other questions of migration and the protection of migrant's rights, the migration of the Russian-speaking population has nevertheless virtually stopped. In a May 1995 meeting, Niyazov and his Russian counterpart reconfirmed this resolution by signing the agreements. These documents were unprecedented in Russia's relations with the former Soviet states and are very important for both countries. It remains however to be seen how the official agreements will be implemented. According to a Russian researcher, the Turkmen government has not always fulfilled its obligations.¹²²²

The local level and the importance of informal politics

Tribes still play an important role in the Turkmen society and tribal antagonism could become a major challenge to the present regime. The three largest tribes in present-day Turkmenistan are the *tekke* from the centre of Turkmenistan around the town Mary, *ersary* living along the Afghan border and *jomud* from the area adjacent to the Caspian Sea. Even if these tribes have

¹²¹⁹ Swiecicka, Elzbieta (1996) "Turkmenistan i förvandling" in Petersson, Bo & Svanberg, Ingvar (eds.) *Det nya Centralasien: fem forna sovjetrepubliker i omvandling*, Lund, Studentlitteratur, p.111.

¹²²⁰ Dudarev, K.P. (2001) "A Post-Communist Authoritarian Regime" in Vassiliev, Alexei (ed.) *Central Asia. Political & Economic Challenges in the Post-Soviet Era*, London, Saqi Books, pp.144-155.

¹²²¹ *Ibid.*, pp.143-144.

¹²²² *Ibid.*, pp.149-150.

become increasingly mixed over the years reports have claimed that the opposition between the tribes have grown after independence. President Niyazov is a member of the *tekke* tribe, and political opponents to Niyazov from the other main tribes claim that he and his supporters come from a weak tribe that came to power only with the help from the Russians in Moscow.¹²²³ There is consequently a growing discontent among the politically disadvantaged tribes growing under the tightly monitored political surface that could become explosive if the present regime was weakened.

Religiously Related Threats

The religious composition of the population in Turkmenistan

The vast majority of the population in Turkmenistan, 89 per cent, is Sunni Muslim. The Azeris who reside in Turkmenistan (0.8 per cent of the population) are Shia Muslims. There is no reliable statistical information about the religious affiliation for the different ethnic groups in Turkmenistan, but the ethnic Turkmens, Uzbeks and Kazakhs are nominally Muslims. According to some unofficial sources, Shiism is gaining wider support in the country.¹²²⁴ There are also around six per cent orthodox Christians in Turkmenistan.¹²²⁵ The possibilities to register religious organisations are severely restricted in Turkmenistan. In 1997, all religious organisations were barred from official registration except for Muslim communities aligned with the Sunni Muslim Board and the Russian orthodox communities in Turkmenistan under new amendments to the religion law.¹²²⁶

Islamic traditions have an important influence on the social and cultural life of the society in Turkmenistan. It does not have much influence on the political life, however, which is controlled by the strict authoritarian regime under the leadership President Saparmurat Niyazov. The religious organisations in Turkmenistan do not bear any state functions, but the state nevertheless promotes Islamic religious activities up to a certain limit as part of the national history and culture.¹²²⁷ There are also unofficial, self-appointed, priests working in the country and according to some information the Sufi brotherhoods and the unofficial Sufi

¹²²³ Swiecicka, Elzbieta (1992) "Turkmenistan" in Gustavsson, Sven & Svanberg, Ingvar (eds.) *Gamla folk och nya stater. Det upplösta sovjetimperiet*, Stockholm, Gidlunds förlag, p.374 and Swiecicka, Elzbieta (1996) "Turkmenistan i förvandling" in Petersson, Bo & Svanberg, Ingvar (eds.) *Det nya Centralasien: fem forna sovjetrepubliker i omvandling*, Lund, Studentlitteratur, pp.110-111.

¹²²⁴ Bartold, V. (1998) *Muslim World: Studies of Islamic History*, Moscow; *Human Rights and Democratisation in Uzbekistan and Turkmenistan* (2000), Washington, OSCE; Robinson, Francis (ed.) (1999) *Islamic World*, Britain, Cambridge Illustrated History; "Islam in Central Asia", *Islam Aleme*, 9 October 1999; Luzanova, E.: "Islam in Central Asia", *The Central Asia Post*, Almaty, 23 January 1997; A. Malashenko: "Islam and Policy in the Central Asian States", *Central Asia and the Caucasus*, No.4, May 1999 and Ponomarev, V. (2000) *Turkmenistan: Turkmen Power and Islam*, 3 April, Central Asia, Human Rights Information Centre "Memorial".

¹²²⁵ *Turkmenistan*. Länder i fickformat, nr.916 (1999), Stockholm, Utrikespolitiska institutet, p.5.

¹²²⁶ Corley, Felix (2001) "Turkmenistan crushes religious minorities", *Eurasianet.org* 25 January, downloaded from the Internet 11 October 2001 on <http://www.eurasianet.org/resources/turkmenistan/hypermail/200101/0022.html>.

¹²²⁷ *News Brief from and about Turkmenistan* (2000), 14-20 May, downloaded from the Internet on <http://www.stetson.edu/~psteeves/relnews/>; Ponomarev, V. (2000) *Turkmenistan: Turkmen Power and Islam*, 3 April, Central Asia, Human Rights Information Centre "Memorial"; "Turkmenistan Reaches Power-Sharing Agreement with Factions in Afghanistan" (1999), *News and Trends in Central Asia*, Vol.4, No.7, 6 April and Whittell, G. (1998) *Central Asia*, London.

mysticism, which has played an important role in the traditional spiritual life of the Turkmen, have also survived the communist era.¹²²⁸

According to the constitution from 1992, Turkmenistan is a secular state with proclaimed freedom of conscience and any citizen is free to profess any religion. President Niyazov declared at his presidential inauguration that Turkmenistan would not base its policy on either Communism or Islam. The state has however provided financial aid for the restoration and construction of Mosques in recent years and study of the history of Islam and the Koran has become a school subject on the president's request. The latter decision is rumoured to be a result of pressure from abroad, for example from Saudi Arabia that has financed constructions of mosques and *medresehs* and promoted the strengthening of Islam in Turkmenistan as a way to spread the religion's influence.¹²²⁹

The constitution states that, in the same way as the religious organisations shall be separate from the state and not interfere in state affairs, the state must not interfere in religious activities either. Despite this, the Turkmen clergy has approved of formulations that are obligatory to all believers in Turkmenistan that means that the traditional prayer must begin with wishes of success for Turkmenbashi and end with a vow of loyalty to the fatherland and president.¹²³⁰ Turkmenbashi – leader of the Turkmen – is a title the president, who wishes to be seen as the father of his countrymen and protector of those who suffer, has given himself.¹²³¹ The president has described the elevation of himself, which has reached proportions of a personality cult and which apparently also has become intermixed with the Islamic faith, as necessary for the state since people need something to believe in. The Turkmen people has, according to Niyazov, always worshipped something – first fire, then Islam, then Marx – and today, when there is an absence of strong state structures, it is necessary that there is a leader who can consolidate society.¹²³² At the same time the president can thus use the (Islamic) religion in order to consolidate his own position.

Radical Islam in Turkmenistan

The Turkmen President Niyazov claims that Muslim extremism poses no threat to his country and it is impossible to find official information about the activities of any extremist religious organisation operating in Turkmenistan. Turkmenistan is considered as a politically closed country in comparison with the other Central Asian countries and all the attempts of extremists to develop their activities and ideology on Turkmen ground have been quenched by the authoritarian regime. It is nonetheless not inconceivable that there exist connections to and influence from some of the religiously extremist and fundamentalist organisations from Afghanistan, Tadjikistan and Uzbekistan in the Turkmen country.¹²³³ In the short perspective,

¹²²⁸ Swiecicka, Elzbieta (1996) "Turkmenistan i förvandling" in Petersson, Bo & Svanberg, Ingvar (eds.) *Det nya Centralasien: fem forna sovjetrepubliker i omvandling*, Lund, Studentlitteratur, p.114.

¹²²⁹ Dudarev, K.P. (2001) "A Post-Communist Authoritarian Regime" in Vassiliev, Alexei (ed.) *Central Asia. Political & Economic Challenges in the Post-Soviet Era*, London, Saqi Books, pp.141-153.

¹²³⁰ Ibid., pp.141-142.

¹²³¹ *Turkmenistan*. Länder i fickformat, nr.916 (1999), Stockholm, Utrikespolitiska institutet, p.15.

¹²³² Dudarev, K.P. (2001) "A Post-Communist Authoritarian Regime" in Vassiliev, Alexei (ed.) *Central Asia. Political & Economic Challenges in the Post-Soviet Era*, London, Saqi Books, pp.136-137.

¹²³³ Burkhanov, K.N. (2000) *Extremism in Central Asia*, Almaty, Agance France Press; *Human Rights and Democratisation in Uzbekistan and Turkmenistan* (2000), Washington, OSCE; Ponomarev, V. (2000) *The Political Future of Islam in Turkmenistan*, Washington, OSCE; Rashid, Ahmed (1999): "Exporting Extremism", *Foreign Affairs*, November/December, downloaded from the Internet on <http://www.rferl.org/bd/tu/reports/>

Turkmenistan is probably less exposed to radical Islamic forces than the other Central Asian countries with the strong authoritarian regime as a main reason. However, if the present regime is weakened, this situation could change quickly.

The leaders of Turkmenistan have rejected accusations from the mass media about the “Islamisation” of the Turkmen society that may result in the country’s turn “southwards”, emphasising that the return to Islam is part of the national culture, but that it does not mean a dogmatic form of worship. According to Niyazov, the Turkmen were never a fanatically religious people and Christianity enjoys the same rights as Islam in Turkmenistan, the only difference is that most of the population is Muslim. The *imam* of the largest mosque in Ashgabat, who is a prominent clergyman, confirms the lack of strong religious adherence in present-day Turkmenistan, but believes that this situation will change. The imam describes the younger generation as amoral atheists as a result of the communist era and that Islam today need not only fill the vacuum left by the disappearance of communism, but also morally upgrade and strengthen the Turkmen society. He is convinced that religious Islamic regimes will come to power in Central Asia after one or two generations.¹²³⁴

Even though Tadjikistan has felt the threat from Afghanistan most keenly, the other Central Asian states early agreed that it was necessary to try to control the unstable situation in Tadjikistan in order to prevent the continued spread of Islamic fundamentalism from Afghanistan. Initially, at least, Turkmenistan did not emphasise this threat towards the region as strongly as the other Central Asian states did, but the country has not opposed the peacekeeping efforts in Tadjikistan either.¹²³⁵ In October 2000 the country adopted a joint declaration with the other Central Asian states as a result of an international conference on strengthening security and stability in Central Asia in which the states pledged to have a joint approach in the fight against drugs, organised crime and terrorism.¹²³⁶ This was probably as far as Niyazov was prepared to go in terms of formulations of threats. Niyazov would not have agreed to sign any document indicating that there are religious extremists operating in or posing a threat to his country.

During the summer 2001, President Niyazov instructed the Council for Religious Affairs to sort out the issue of “unreasoned expansion” of the network of religious schools in the country, especially in some districts in the northern Dashoguz region near the Uzbek border. The president emphasised that religion is separate from the state in Turkmenistan and that the regime has nothing against spiritual education in principle, but that the network of religious schools must be investigated since it had spread so quickly and without an obvious need for more religious schools.¹²³⁷ Measures like this shows both how the regime keeps a thorough control of the religious activity in the country and that the authorities are concerned that the religious extremist activities will spread from the other Central Asian countries and

2000/05/200500.html and *Washington File*, downloaded from the Internet on <http://www.usembassy.ro/USIS/Washington-File>.

¹²³⁴ Dudarev, K.P. (2001) “A Post-Communist Authoritarian Regime” in Vassiliev, Alexei (ed.) *Central Asia. Political & Economic Challenges in the Post-Soviet Era*, London, Saqi Books, p.142.

¹²³⁵ d'Anieri, Paul (1997) “International Cooperation among Unequal Partners: the Emergence of Bilateralism in the Former Soviet Union”, *International Politics. A Journal of Transnational Issues and Global Problems*, Vol.34, No.4, December, p.428.

¹²³⁶ Narodnoye Slovo: “Text of declaration adopted by Uzbek forum on security in Central Asia”, 24 October 2000 in *BBC SWB SU/3982 G/1*, 27 October 2000.

¹²³⁷ Turkmenistan.RU Internet newspaper web site: “Turkmen leader slams religious schools’ mushrooming in north”, 27 June 2001 in *BBC Monitoring Global Newswire – Central Asia Political*, 28 June 2001, from BBC Monitoring topic@mon.bbc.co.uk.

Afghanistan to Turkmenistan despite the claims that there are no religious extremist organisations in the country.

Economically Related Threats

Illegal trade

Turkmenistan has a long-lasting tradition of drug consumption and is today an important link in the drug-traffic route from Asia to Europe. The drugs used in Turkmenistan are either grown in the country or imported from Afghanistan and Iran. During the last years there has been a dramatic increase in opium-poppy plantations on irrigated land in the Karakum desert. From having been merely a purveyor of semi-finished narcotic products, the processing of drugs is today increasing in Turkmenistan.¹²³⁸ The trafficking of drugs has been acknowledged as a threat towards the security of Turkmenistan. In the summer 2000, President Niyazov announced that Turkmenistan needed to step up its control of the southern border with Uzbekistan because of its proximity to Tadjikistan that has become a major stop on the narcotics trafficking routes. The country would consequently establish more border posts and send additional guards to the Uzbek-Turkmen border.¹²³⁹

The authorities have so far concentrated their efforts, in the form of both resources and manpower, on the fight against the flow of drugs from Afghanistan and the border with Iran is also relatively well guarded. This has produced a mixed result. On the one hand, the quantity of narcotics substances as well as the number of seizures intercepted along the Turkmen-Afghan border had reduced considerably in 2000 compared to the previous years. On the other hand, the border with Uzbekistan remains almost unguarded since all resources are being used along the Afghan, and to a lesser extent, the Iranian borders. Consequently, the illegal trade of drugs across the Turkmen-Uzbek border has increased. According to the Turkmen Ministry of Health, there are six to seven per cent drug addicts among the population in Turkmenistan. Unofficial figures put the figures slightly higher, at eight to nine per cent.¹²⁴⁰

One of the few influential forces that have been viewed as a threat to the stability of Saparmurat Niyazov's regime by several observers is the trade mafia, which reportedly also disturbs the president. In September 1997 the chairman of the National Security Committee admitted in an interview to newspaper *Neutrallyi Turkmenistan* that a consolidation of mafia structures and corrupt elements did exist in Turkmenistan that had managed to use the difficulties of the transitional period to gain vast profits. Of special concern is the economic smuggling that has spread during the last years. Some groups have been able to use direct contacts with foreign partners in order to illegally export valuable raw materials from Turkmenistan, such as cotton fibre, motor oil, gas condensate, alcohol, gold and silver, mercury and ferrous metals.¹²⁴¹

¹²³⁸ Zviagelskaia, Irina D. & Naumkin, Vitali V. (1999) "Non-Traditional Threats, Challenges and Risks in the Former Soviet South" in Menon, Rajan, Fedorov, Yuri E. & Nodia, Ghia (eds.) *Russia, the Caucasus and Central Asia: the 21st Century Security Environment*, New York, M. E. Sharpe, Inc., pp.229-230.

¹²³⁹ RFE/RL Turkmen Service (2000) *Turkmenistan to Strengthen Borders with CIS neighbours*, 16 June, downloaded from the Internet 4 October 2001 on <http://www.rferl.org/bd/tu/reports/index.html>.

¹²⁴⁰ NATO Partnership for Peace Documentation Center *Europe and Central Asia*, downloaded from the Internet 19 October 2001 on www.isn.ethz.ch/pfdpdc/e_index.htm.

¹²⁴¹ Dudarev, K.P. (2001) "A Post-Communist Authoritarian Regime" in Vassiliev, Alexei (ed.) *Central Asia. Political & Economic Challenges in the Post-Soviet Era*, London, Saqi Books, pp.154-155.

Conclusions

The strict authoritarian regime in Turkmenistan keeps a close lid on both potential ethnic and religious conflicts and the information emanating from the country about these issues is scarce. The possibilities for inter-ethnic strife or religiously based conflicts must however for the time being be deemed as low due to the low level of non-indigenous citizens in Turkmenistan and the stable position of Sunni Islam. Due to the strong repression from the government it is however probable that tensions are growing beneath the surface that could erupt quickly if the regime would suddenly show signs of weakness. As for now, there are no reports about any unofficial religious or ethnic groups operating in the country and authorities maintain that no extremist or terrorist groups exist on their territory. Despite their affirmations, there have been some signs that the regime might be worried that extremist tendencies might spread to Turkmenistan, which indicates that they are not so sure how long the present calm will last.

The government's treatment of the minorities has been aimed to decrease potential tensions, which the agreement of dual citizenship with Russia is a particularly striking example of. Even if the Russian minority has lost much of its previous political leverage and social status, they maintain an important economic power and will continue to do so during a long time to come – something that the authorities are well aware of. Specialists within some key sectors have been forbidden to leave the country. The threats against the stability of the present regime in Turkmenistan are largely connected to economic issues. The maintenance of calm in Turkmenistan is probably dependent on how the authorities manage to handle the socio-economic situation in the country. The latter also has consequences for the illegal drug trade that continues to flow relatively free across the Turkmen-Uzbek border. The trade mafia and the growing discontent among the disadvantaged tribes, that have lost economic influence as well as political due to the close connection between politics and economics in the Central Asian societies, are two other internal threats that the Turkmen authorities need to monitor closely in order to maintain the present calm.

Kazakhstan

Figure 11. Regional differences



-  - The most devote (Sunni Muslim) part of the population, although the Sunni Islam is not so orthodox and mixed with pre-Islamic practices.
-  - Spread of Sufism.
-  - Dominated by Sunni Islam.

Introduction

Kazakhstan, the largest of the five Central Asian states, is emerging as one of the most stable countries in the region and is furthest removed from the threats facing the region from the south. As in the other Central Asian states, however, this stability has also implied an increasingly authoritarian state. President Nursultan Nazarbayev, who has ruled the country since it became independent in December 1991, was made head of state in the Kazakh Republic already in June 1989 and was then seen as a moderate authoritarian ruler who initiated a change towards gradual economic and political reforms. This has changed over the years. The increased authoritarian measures have led to a growing political opposition to the regime and there have been public charges of large-scale corruption brought against the president and his family. In 2000, the parliament declared the president an honoured citizen

for life, unaccountable to any future courts or authorities, which is not far from being appointed President for life. The most pressing problem for Kazakhstan regarding the questions dealt with in this report has been the issue of the large majority of Russians living in the north of the country. Elements of this minority have continued to agitate for separation from Kazakhstan and they have also forced Kazakhstan to maintain close cooperation with Russia. The ethnic Uighur minority living close to the Chinese border is another sensitive issue in relation to the country's other large and powerful neighbour.¹²⁴²

A Few Words on Military Capability

Kazakhstan's total armed forces number around 64,000 men. 45,000 of these serve in the army and Kazakhstan also has an air force with 19,000 men (including in the air defence). There are 34,500 people serving in the paramilitary forces, including an estimated 12,000 in the border defence and 20,000 in the internal security troops.¹²⁴³ As a consequence of the IMU incursions into the Central Asian region in 1999 that have attracted international attention, the United States offered an aid package to Kazakhstan for the training and equipment of counter-terrorist and anti-drug units. China has also offered an aid programme worth approximately USD 1.3 million to help equip the armed forces of Kazakhstan.¹²⁴⁴ The U.S. package is worth four million U.S. dollars. In addition, Russia will donate arms worth about USD 20 million to help improve the border security, which lies very much in Russia's own interest. Kazakhstan doubled its official defence budget in 2000, which is now around one per cent of GDP, but if factors hidden under the heading of public order and security are also taken into account, the actual figure is closer to two per cent of GDP.¹²⁴⁵

Socio-Economic Factors

Despite the fact that Kazakhstan is a resource rich country that originally could hope to develop a strong and independent economy, the continued dependency on Russia has been strong. Even though Kazakhstan has had some success in attracting foreign investments and with the reforms towards market economy, the economy is still heavily influenced and restricted by two factors. The first is the economic decline following from the break-up of the Soviet market. The second is the fact that the development and export of the oil and natural gas resources, that are the most important sources for potential improvement of the economy,

¹²⁴² Compare with ICG (2001) *Central Asian Perspectives on 11 September and the Afghan Crisis*, Central Asia Briefing, Osh/Brussels 28 September, downloaded from the Internet 2 October 2001 on <http://www.crisisweb.org/projects/showreport.cfm?reportid=439>, Petrov, N.I. & Gafarly, M.S. (2001) "The Course Towards Political Stability" in Vassiliev, Alexei (ed.) *Central Asia. Political & Economic Challenges in the Post-Soviet Era*, London, Saqi Books, pp.31-32 and Rashid, Ahmed (2001) "Central Asia Summary: Recent Developments in Kazakhstan, Kyrgyzstan and Turkmenistan", *Eurasianet Eurasia Insight*, 18 January, downloaded from the Internet 1 October 2001 on <http://www.eurasianet.org/departments/insight/articles/eav011801.shtml>.

¹²⁴³ The International Institute for Strategic Studies (IISS) (2001) *The Military Balance 2001/2002*, London, Oxford University Press, p.165.

¹²⁴⁴ The International Institute for Strategic Studies (IISS) (2000) *The Military Balance 2000/2001*, London, Oxford University Press, p.159.

¹²⁴⁵ The International Institute for Strategic Studies (IISS) (2001) *The Military Balance 2001/2002*, London, Oxford University Press, p.157.

are totally dependent on Russia, since the major pipelines and ports are on Russian territory.¹²⁴⁶

The economy in Kazakhstan has slumped heavily during the years of independence, as it has in the other Central Asian countries, even though the recession in production and investment had slowed down during the latter part of the 1990s and there have been minor improvements in some economic indices. These improvements, however, were largely upset by the Russian economic crisis in 1998. By 1996, the GDP was down to 31 per cent of the level in 1991 and corresponded to the level of the early 1980s. After independence was proclaimed Kazakhstan formulated a plan for a so-called social market economy, in which privatisation originally played an important role. In time, however, the president was forced to admit that the progress during the first stage of privatisation was far from satisfactory and that a major reason for this failure was that the majority of the population had not played an active role in the reforms.¹²⁴⁷

The oil and gas industry is the key to the country's economic development. During the year 2000, Kazakhstan continued to face problems in persuading foreign companies to build new pipelines for the export of these commodities. The government has pointed out that they will have to turn increasingly towards economic cooperation with Russia if Chinese and U.S. companies do not honour their commitments to build new pipelines. However, the Kazakh authorities have been reported to deny the Chinese companies the right to build a pipeline through Kazakhstan for environmental reasons. They have insisted that China should build a pipeline that connects to the Russian network complemented by a connection through Xienjiang and southeastern Siberia. Furthermore, many investors backed off from their operations in Kazakhstan because of the corruption scandals in the government and the demands for huge kickbacks from Kazakhstan. The discovery of a huge field of oil reserves at a field near the Caspian Sea gave rise to new hopes for future participation in the U.S.-sponsored oil pipeline from Azerbaijan to Turkey, but Nazarbayev did not make any commitments to that end. In addition, due to problems with the country's power grids, the country had to rely on imported Russian power from Siberia.¹²⁴⁸

Despite these economic problems, the country had experienced a small economic growth during 1999 with one per cent, compared to a 2.5 per cent decline the previous year. In May 2000, the government announced that first quarter of the fiscal year 2000 showed a growth of GDP with seven per cent and an increased industrial production with 15 per cent. The gas production had risen with 32 per cent, the oil production was up by 16 per cent and, as a consequence, the government also announced its intentions to pay back an IMF loan to the amount of USD 400 million before the payment was due. In the same month, Kazakhstan received a loan worth USD 400 million from the Asian Development Bank.¹²⁴⁹

¹²⁴⁶ Webber, Mark (1997) *CIS Integration Trends. Russia and the Former Soviet South*, London, Royal Institute of International Affairs, pp.26-28.

¹²⁴⁷ Kalnichenko, L.N. & Semenova, N.N. (2001) "The Economy of Kazakhstan" in Vassiliev, Alexei (ed.) *Central Asia. Political & Economic Challenges in the Post-Soviet Era*, London, Saqi Books, p.58-70.

¹²⁴⁸ Rashid, Ahmed (2001) "Central Asia Summary: Recent Developments in Kazakhstan, Kyrgyzstan and Turkmenistan", *Eurasianet Eurasia Insight*, 18 January, downloaded from the Internet 1 October 2001 on <http://www.eurasianet.org/departments/insight/articles/eav011801.shtml>.

¹²⁴⁹ Ibid.

Standards of living and prospects for life improvement

The recession during the years of independence has caused hardships for the population as the government has had difficulties in paying out wages and pensions. In 1997, many (state) employees had not received their wages for two years. The growing inequalities in the country has given rise to dissatisfaction among the population who have seen people among the political elite and some criminals gaining large fortunes at the same time as the majority of the population suffers, especially in some of the rural areas. Only some ten per cent of the population are entitled to some form of state allowance.¹²⁵⁰ According to EBRD figures, half of the Kazakh population was estimated to live in poverty in 1999.¹²⁵¹ Two Russian researchers emphasise that it is important to note that nationality conflicts often are overshadowed by social problems in Kazakhstan. A serious example is constituted by the large-scale strikes the country witnessed in the mining industries in early summer 1992 that were especially difficult in the Karaganda region. The reform course chosen by the government has not had the full support of the population either.¹²⁵²

The social problems have been aggravated during the period of reforms. Enormous increases in the consumer prices reduced the actual purchase capacity with three to four times and the average monthly salary was also depreciated. There are vast growing inequalities between the rich and the poor in Kazakhstan. In 1992, the gross income of the ten per cent richest people exceeded that of ten per cent of the poorest people with 8.5 times. Overall, the social differentiation has led to impoverishment for the majority of the population and there was a clear deterioration of the average material welfare of the Kazakh population during the first half of the 1990s. The government has continually been forced to revise the provisions of the reform laws in an attempt to take account of the actual situation. In April 1993, a Programme of Urgent Anti-Crisis Measures and Deepening of the Socio-Economic Reforms was approved of that, among a number of measures, gave priority to solving the problems of inflation and recession in production and to alleviating the worst consequences of the reforms for the most vulnerable citizens.¹²⁵³ Most of the population will however continue to experience difficult socio-economic conditions for a long period to come.

Employment

Because of a policy of employment protection at state enterprises and the encouragement of the development of the private sector, the early economic reforms did not lead to a great rise in unemployment. However, between 1991 and 1996, the people registered as unemployed had risen with nearly 70 times and the unemployment rate reached 4.2 per cent in 1996. If those who did not register officially were taken into consideration as well, the figure was estimated to reach one million people or 15 per cent of the economically active population in the country. The government has not managed to fully solve the employment problems. After the financial crises in Russia in August 1998 and April 1999, the unemployment rate

¹²⁵⁰ *Kazakhstan, Länder i fickformat nr.913* (1999), Stockholm, Utrikespolitiska institutet, p.27-28.

¹²⁵¹ European Bank for Reconstruction and Development (1999) *Transition Report 1999. Ten Years of Transition*, London, EBRD, p.232.

¹²⁵² Petrov, N.I. & Gafarly, M.S. (2001) "The Course Towards Political Stability" in Vassiliev, Alexei (ed.) *Central Asia. Political & Economic Challenges in the Post-Soviet Era*, London, Saqi Books, p.36.

¹²⁵³ Kalnichenko, L.N. & Semenova, N.N. (2001) "The Economy of Kazakhstan" in Vassiliev, Alexei (ed.) *Central Asia. Political & Economic Challenges in the Post-Soviet Era*, London, Saqi Books, pp.65-70.

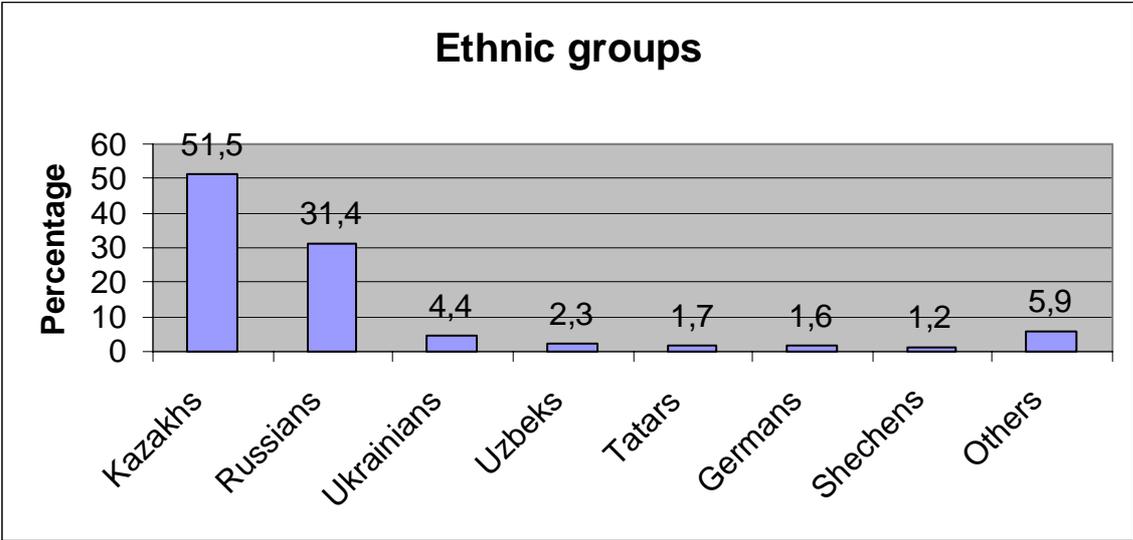
increased again. According to the Committee for Economic Planning of Kazakhstan at the Ministry of Power, Industry and Trade, the actual unemployment level was estimated to around 9.3 per cent in 1990. The share of those who get unemployment allowances (of the total number of unemployed) increased from 38 per cent in 1993 to 68 per cent in 1997. The average size of the allowance is considerably higher in Kazakhstan than in the other CIS countries with the exception of Moldova, meaning that the incentive to register as unemployed probably is higher too. During the recent years there has been an increase in rural unemployment and in the mid-1990s, half of all those registered as unemployed lived in the countryside.¹²⁵⁴

Ethnically Related Threats

The ethnic composition of Kazakhstan

The titular population of Kazakhstan comprises only 51 per cent of the country’s entire population¹²⁵⁵ that was estimated at around 16.7 million in July 2000.¹²⁵⁶ The largest minority group is the ethnic Russians comprising 31.4 per cent of the population according to local statistics. The Russian part of the population in Kazakhstan has been falling gradually during the ten years since the country gained independence in 1991. In 1998, 40 per cent of the Russians that used to live in Kazakhstan had emigrated from the country. However, approximately a third of these Russians have returned to Kazakhstan again, as will be further developed below. By contrast, the number of ethnic Kazakhs is increasing as Kazakhs that have been living abroad in, for example, the other former Soviet republics, China and a small number in Europe, return to Kazakhstan.¹²⁵⁷

Figure 12. Ethnic groups in Kazakhstan



¹²⁵⁴ Ibid., p.65-66.
¹²⁵⁵ *Statistics about the Religious Situation in Kazakhstan* (2000) Almaty, Republic Agency of Statistics.
¹²⁵⁶ CIA (2000) *The World Factbook 2000. Kazakhstan*. (online), downloaded from the Internet 10 March 2001 from <http://www.odci.gov/cia/publications/factbook/geos/kz.html>.
¹²⁵⁷ *Statistics about the Religious Situation in Kazakhstan* (2000) Almaty, Republic Agency of Statistics.

Population in Kazakhstan 1999: 15,6 Million.

The Kazakhs were the largest ethnic group in the 1989 census (39.7 per cent of the total population), but they did not form a majority. Moreover, they were outnumbered by the combined Slavic population of Russians, Belorussians and Ukrainians, who generally identified themselves as Russian speakers (jointly comprising 44.3 per cent of the total population). In 1897, the combined Slavic population in Kazakhstan comprised less than 13 per cent of the total population and the ethnic Kazakhs made up almost 74 per cent. As early as 1939, however, the Russians had become the largest ethnic group in Kazakhstan and formed a majority of the population together with the other Slavic nationalities.¹²⁵⁸ This was the result of deportations of people to Kazakhstan and of reallocations of people in order to cover the demographic losses of the Kazakhs that starved to death or emigrated to avoid the famine that became a consequence of the enforced collectivisation-taking place in the early 1930s.¹²⁵⁹

In the northern parts of Kazakhstan adjacent to Russia around 80 per cent of the population have been Russians¹²⁶⁰ and, as is shown above, it is only during these last years that the Kazakhs have become a majority in their own republic. The close ties to Russia are also emphasised by the fact that approximately one million Kazakhs lived in Russia prior to Kazakhstan's independence.¹²⁶¹ The question of the ethnic composition in Kazakhstan has consequently become a both important and sensitive issue for independent Kazakhstan, especially concerning the regions dominated by Russians.

The change in the ethnic composition in favour of the titular nationality has thus been considered as a priority by the Kazakh leadership that associated this with the future of Kazakhstan as a unitary state at the same time as they feared the rise of separatist tendencies in the regions dominated by ethnic Russian population. The Kazakh population has grown in proportion to the other nationalities during the last decade as a result of the faster population growth of the Kazakhs and the Russian emigration. The "Kazakhisation" of the regions inhabited by Russians has taken various forms, with ethnic Kazakhs being appointed to administrative and executive posts and towns with old Russian names being renamed into Kazakh.¹²⁶² The change of the capital from the southern city Almaty to Astana in the Russian-inhabited northern region is also generally interpreted as an attempt to change the ethno-demographic and socio-political situation in this region in an effort to curb the Russian influence in the northern part of the republic.¹²⁶³ A Russian researcher noted in 1996 that the previous years had seen an active repatriation of ethnic Kazakhs from Mongolia and China

¹²⁵⁸ Alexandrov, Mikhail (1999) *Uneasy Alliance: Relations Between Russia and Kazakhstan in the Post-Soviet Era, 1992-1997*, Westport and London, Greenwood Press, p.24-310.

¹²⁵⁹ Svanberg, Ingvar (1996) "Kazakstan – ett nytt land mellan Europa och Asien" in Petersson, Bo & Svanberg, Ingvar (eds.) *Det nya Centralasien: fem forna sovjetrepubliker i omvandling*, Lund, Studentlitteratur, pp.23-44.

¹²⁶⁰ Suny, Ronald Grigor (1999) "Southern Tears: Dangerous Opportunities in the Caucasus and Central Asia" in Menon, Rajan, Fedorov, Yuri E. & Nodia, Ghia (eds.) *Russia, the Caucasus and Central Asia: the 21st Century Security Environment*, New York, M. E. Sharpe, Inc., p.168.

¹²⁶¹ Petrov, N.I. & Gafarly, M.S. (2001) "The Course Towards Political Stability" in Vassiliev, Alexei (ed.) *Central Asia. Political & Economic Challenges in the Post-Soviet Era*, London, Saqi Books, p.31.

¹²⁶² Zviagelskaia, Irina D. & Naumkin, Vitali V. (1999) "Non-Traditional Threats, Challenges and Risks in the Former Soviet South" in Menon, Rajan, Fedorov, Yuri E. & Nodia, Ghia (eds.) *Russia, the Caucasus and Central Asia: the 21st Century Security Environment*, New York, M. E. Sharpe, Inc., pp.238-239.

¹²⁶³ Petrov, N.I. & Gafarly, M.S. (2001) "The Course Towards Political Stability" in Vassiliev, Alexei (ed.) *Central Asia. Political & Economic Challenges in the Post-Soviet Era*, London, Saqi Books, pp.31-32.

who had settled in the northern region and provided with housing left by emigrated Russians or Germans.¹²⁶⁴

The Russians in Kazakhstan, who have been used to holding an influential position in the Kazakh society, have felt the growing pressure on them after the collapse of the Soviet Union most acutely. The recognition of the Kazakh language as the only official language in the country despite the fact that only one per cent of the Russian population were able to speak Kazakh in 1991 and the proclamation of Kazakhstan as the state of “a self-determined Kazakh nation” are examples of measures that stimulated the Russians to emigrate.¹²⁶⁵ Despite these measures, President Nursultan Nazarbayev has wanted to establish Kazakhstan as both a homeland of Kazakhs, promoting the titular nationality, and simultaneously as a multinational state in which all inhabitants should have equal civil rights and opportunities. He has tried to suppress the more extreme nationalists and agreed to slow down the change towards the use of the Kazakh language.¹²⁶⁶

Russian was recognised as an official language in the 1995 constitution as a reversal of the 1989 law that declared Kazakh as the only state language. The 1997 language law re-established Kazakh as the only state language and promoted the continued spread of the Kazakh language and successive transfer of administrative work into Kazakh. At the same time, however, Russian could still be used in official capacities for the time being. Furthermore, internal documentation in state and private organisations as well as all contracts between individuals and companies must be written in Kazakh as well as Russian.¹²⁶⁷ There is still a part of the Russified and urban population that send their children to Russian schools as do nearly all non-Kazakhs, even though an influential part of the Kazakh population supports the relatively moderate nationalisation process.¹²⁶⁸

In early 1994, the Siberian Cossacks living in northern Kazakhstan emerged as a new and well-organised force in the Kazakh-Russian discussions. They have been particularly sensitive to the Kazakhisation.¹²⁶⁹ Cossack political organisations had however been formed already in

¹²⁶⁴ Zviagelskaia, Irina D. & Naumkin, Vitali V. (1999) “Non-Traditional Threats, Challenges and Risks in the Former Soviet South” in Menon, Rajan, Fedorov, Yuri E. & Nodia, Ghia (eds.) *Russia, the Caucasus and Central Asia: the 21st Century Security Environment*, New York, M. E. Sharpe, Inc., p.239. See also Petrov, N.I. & Gafarly, M.S. (2001) “The Course Towards Political Stability” in Vassiliev, Alexei (ed.) *Central Asia. Political & Economic Challenges in the Post-Soviet Era*, London, Saqi Books, p.53.

¹²⁶⁵ Zviagelskaia, Irina D. & Naumkin, Vitali V. (1999) “Non-Traditional Threats, Challenges and Risks in the Former Soviet South” in Menon, Rajan, Fedorov, Yuri E. & Nodia, Ghia (eds.) *Russia, the Caucasus and Central Asia: the 21st Century Security Environment*, New York, M. E. Sharpe, Inc., p.238.

¹²⁶⁶ Suny, Ronald Grigor (1999) “Southern Tears: Dangerous Opportunities in the Caucasus and Central Asia” in Menon, Rajan, Fedorov, Yuri E. & Nodia, Ghia (eds.) *Russia, the Caucasus and Central Asia: the 21st Century Security Environment*, New York, M. E. Sharpe, Inc., p.169. See also Svanberg, Ingvar (1996) “Kazakhstan – ett nytt land mellan Europa och Asien” in Petersson, Bo & Svanberg, Ingvar (eds.) *Det nya Centralasien: fem forna sovjetrepubliker i omvandling*, Lund, Studentlitteratur, pp.32-33.

¹²⁶⁷ Alexandrov, Mikhail (1999) *Uneasy Alliance: Relations Between Russia and Kazakhstan in the Post-Soviet Era, 1992-1997*, Westport and London, Greenwood Press, pp.137-138 and Suny, Ronald Grigor (1999) “Southern Tears: Dangerous Opportunities in the Caucasus and Central Asia” in Menon, Rajan, Fedorov, Yuri E. & Nodia, Ghia (eds.) *Russia, the Caucasus and Central Asia: the 21st Century Security Environment*, New York, M. E. Sharpe, Inc., p.169.

¹²⁶⁸ Suny, Ronald Grigor (1999) “Southern Tears: Dangerous Opportunities in the Caucasus and Central Asia” in Menon, Rajan, Fedorov, Yuri E. & Nodia, Ghia (eds.) *Russia, the Caucasus and Central Asia: the 21st Century Security Environment*, New York, M. E. Sharpe, Inc., p.169.

¹²⁶⁹ Petrov, N.I. & Gafarly, M.S. (2001) “The Course Towards Political Stability” in Vassiliev, Alexei (ed.) *Central Asia. Political & Economic Challenges in the Post-Soviet Era*, London, Saqi Books, p.54.

1990, registered as national and cultural associations, but with obvious political agendas. For example, the Cossack committee *Vozrozhdeniye* (Rebirth), based in Uralsk, early expressed their demand for the return of the territory of the Ural Cossacks that they believed had been unjustly taken from Russia and included in Kazakhstan. There exist a number of unregistered Cossack organisations in the north of Kazakhstan and there have also been several outbreaks of minor conflicts between the members of these associations and ethnic Kazakhs. The strong nationalist feelings of the Cossacks were confirmed in a survey of inter-ethnic relations in Kazakhstan. When asked if they were prepared to take up arms “to defend the interests of their people in inter-ethnic conflicts”, 42.9 per cent of the asked Cossacks answered that they would be prepared to do so compared with only 17.7 per cent Russians.¹²⁷⁰

The sensitive question of the ethnic Russians in Kazakhstan has consequently also become one of the most important issues or, according to one researcher, the greatest problem in Russia’s relations to independent Kazakhstan.¹²⁷¹ According to the researcher Irina Zviagelskaya, there exists an extreme nationalist idea in Russia according to which the Slavic CIS states and the parts of Kazakhstan that is inhabited by Russians should be joined in one unitary state.¹²⁷² The influential writer Alexander Solzhenitsyn has proposed this idea that in a limited degree influenced the early Russian policy towards the CIS area under President Boris Yeltsin.¹²⁷³ Yeltsin himself claimed that the northern part of Kazakhstan should belong to Russia, and this view has been reflected among some smaller groups in Kazakhstan, notably the Cossacks described above.¹²⁷⁴ In this light, it is not surprising that Kazakhstan has been sensitive to the strong diaspora protection exercised by Russia and the implications this might have for the relations with Russia and for the internal stability in Kazakhstan, even if such extreme ideas have not dominated Russia’s official agenda. As a consequence, Kazakhstan has resisted Russia’s calls for establishment of dual citizenship.¹²⁷⁵

The tensions do not appear to have been reduced in recent years. During the year 2000, Nursultan Nazarbayev faced severe political problems in the north of the country where the majority population of ethnic Slavs were asking the government to hold a referendum on whether Kazakhstan should join the Russian-Belorussian union or not. Furthermore, in January the same year, 22 Russian ultra-nationalists were put on trial in the northeastern city Ust-Kamenogorsk for conspiracy against the state and for trying to declare a pro-Russian republic in the north.¹²⁷⁶ It is, however, not only the Russian minorities and their ethnic motherland that causes concerns for the Kazakh authorities – they have also taken care to avoid complications in their relationship with Uzbekistan. Although not comprising such a strikingly large minority as the Russians, the ethnic Uzbeks, who form majorities in some southern regions of Kazakhstan, are seen as a potential source of inter-ethnic conflict,

¹²⁷⁰ Alexandrov, Mikhail (1999) *Uneasy Alliance: Relations Between Russia and Kazakhstan in the Post-Soviet Era, 1992-1997*, Westport and London, Greenwood Press, pp.25-121.

¹²⁷¹ Ibid., p.99.

¹²⁷² Zviagelskaia, Irina (1995) *The Russian Policy Debate on Central Asia*, London, Royal Institute of International Affairs’ p.38.

¹²⁷³ Sakwa, Richard (1996) *Russian Politics and Society*, London and New York, Routledge, p.289.

¹²⁷⁴ Svanberg, Ingvar (1996) “Kazakstan – ett nytt land mellan Europa och Asien” in Petersson, Bo & Svanberg, Ingvar (eds.) *Det nya Centralasien: fem forna sovjetrepubliker i omvandling*, Lund, Studentlitteratur, p.30.

¹²⁷⁵ Webber, Mark (1997) *CIS Integration Trends. Russia and the Former Soviet South*, London, Royal Institute of International Affairs, p.28.

¹²⁷⁶ Rashid, Ahmed (2001) "Central Asia Summary: Recent Developments in Kazakhstan, Kyrgyzstan and Turkmenistan", *Eurasianet Eurasia Insight*, 18 January, downloaded from the Internet 1 October 2001 on <http://www.eurasianet.org/departments/insight/articles/eav011801.shtml>.

especially if Uzbekistan would choose to use them in its competition with Kazakhstan for regional influence.¹²⁷⁷

The ethnic Uighurs living in the border area between Kazakhstan and China started moving into Kazakhstan from China already during the 19th century, although they were not called Uighurs until the 1920s. The last wave of Uighurs migrating from China to Kazakhstan arrived in 1960 and during the mid-1990s there were 185,000 Uighurs living in Kazakhstan. When the border between China and Kazakhstan opened in 1991, the Uighurs became an important link as they started to conduct trade across the border. The border contacts were further strengthened by the fact that the largest diaspora group of ethnic Kazakhs is living in China's northern Xienjiang region. At the same time, however, concerns grew in China that the Uighurs in Kazakhstan and the rest of Central Asia would unite with Uighurs in Xienjiang in the formation of a separatist movement.¹²⁷⁸ These concerns have not been unfounded. The Uighurs has given rise to four Uighur separatist organisations in Almaty and the Almaty region. These groups are fighting for their aim to establish a separate Uighur state independent of both Kazakhstan and China. The Western Turkestan National Revolutionary Front was formed in Kazakhstan in 1991. The goal of this organisation under the leadership of Usupek Mulishy is to achieve independence for Western Turkestan with the use of radical means.¹²⁷⁹

Migration

According to the 1999 census, the number of permanent residents in Kazakhstan had dropped by 1.24 million or 7.7 per cent since 1989 and in 1999 amounted to 14,953,000 people. The external migration is a decisive factor behind this change. The net emigration was highest during the first years, reaching a peak of around 400,000 people in 1994. Then it slowly dwindled and in 2000 the negative migration balance had dropped more than threefold compared to 1994. People are mainly emigrating from Kazakhstan to other CIS countries. Russia accounted for approximately two thirds of Kazakhstan's migration exchange with the CIS countries throughout the 1990s. Most of these were emigrants, even though some people also immigrated to Kazakhstan from Russia. In the beginning of the 1990s, a significant number of people also emigrated to the Ukraine, Uzbekistan and Kyrgyzstan and smaller numbers to Azerbaijan and Belarus.¹²⁸⁰

In the year 2000, Kazakhstan only had a negative migration balance with Russia, Belarus and the Ukraine, whereas the migration balance with the other CIS countries was positive, with more than 5,000 people immigrating to Kazakhstan from Uzbekistan. However, in terms of ethnic groups only ethnic Kazakhs had a positive migration balance. Ethnic Russians still formed the main part of the emigrants (more than 58 per cent) followed by Germans and Ukrainians. Of the people who have emigrated from Kazakhstan to countries beyond the CIS over the past ten years, the vast majority has gone to Germany.¹²⁸¹ The Germans that have been living in Kazakhstan, constituting nearly a million people in 1989, are mainly

¹²⁷⁷ Petrov, N.I. & Gafarly, M.S. (2001) "The Course Towards Political Stability" in Vassiliev, Alexei (ed.) *Central Asia. Political & Economic Challenges in the Post-Soviet Era*, London, Saqi Books, p.48.

¹²⁷⁸ Svanberg, Ingvar (1996) "Kazakstan – ett nytt land mellan Europa och Asien" in Petersson, Bo & Svanberg, Ingvar (eds.) *Det nya Centralasien: fem forna sovjetrepubliker i omvandling*, Lund, Studentlitteratur, p.34-37.

¹²⁷⁹ Burkhanov, K.N. (2000) *Extremism in Central Asia*, Almaty, Agance France Press; Ibragimov, H.: "Extremism", *Nezavisimaya Gazeta*, 3 February 2000.

¹²⁸⁰ Klimova, Tamara (2001): "Migration Trends in Kazakhstan", *Central Asia and the Caucasus*, Vol.9, No.3, pp.175-176.

¹²⁸¹ *Ibid.*, pp.176-179.

descendants of the so-called Volga Germans that were deported from the Volga area to the northern part of Kazakhstan and Russian Siberia when Nazi Germany attacked the Soviet Union.¹²⁸²

Since people emigrating from Kazakhstan are generally younger and better educated than the average inhabitants, the migration is having a negative effect on the country's labour potential. There are, however, also some people who have immigrated to Kazakhstan of which Russians constituted the largest group between 1991 and 1999 with 349,000 people (compared to the 1,072,000 Russians leaving Kazakhstan). The second largest group of immigrants during the same period consisted of Kazakhs returning from other CIS countries, Iran, Turkey and Mongolia (254,000 people), followed by Ukrainians, Germans, Tatars and Belorussians. All people arriving from Germany are likely to have earlier emigrated from Kazakhstan and the same is true for a large portion of the Russians arriving in Kazakhstan.¹²⁸³

At present, around 4.1 million Kazakhs live outside the country's borders, including 1.5 million in Uzbekistan, 740,000 in Russia, 70,000 in Turkmenistan and around 30,000 in Afghanistan. According to a survey made in 1998 of the main reasons for emigration or re-emigration in Kazakhstan, family circumstances topped the list of reasons for both wanting to leave Kazakhstan and for returning to the country. The other reasons were mainly connected to education and job opportunities or standards of living. An analysis made of the status of repatriates in Kazakhstan shows that the return often is connected with significant problems. One major obstacle for the repatriates is the problem of regaining citizenship in Kazakhstan, which deprives them of property rights and permanent residence prospects.¹²⁸⁴

The internal migration in Kazakhstan is also reported to be high as thousands of people from the southern provinces are moving to safer and more prosperous cities in the north of the country, even though the official figures for the movement is low. According to the President of the Association of Sociologists and Political Analysts, Bakytjamal Berkturganov, the government is trying to hide the true figures of the exodus since a large portion of the migrants are supposed to be fleeing from the threat of Islamic militancy. Although no one can tell if or when the Islamic radical groups that have launched raids into Kyrgyzstan or Uzbekistan will enter Kazakhstan as well, people are leaving the most exposed area because they worry that these groups might come. According to military expert Askar Bakayev there are reasons for the less devoted Muslims living in the south to fear potential incursions from, for example, the Islamic Movement of Uzbekistan since they will be the first to suffer from such guerrilla attacks, which the Kazakh military is ill equipped to counter. As a consequence, most of the Russians and Slavs living in the area are going north, but also many ethnic Kazakhs. However, the difficult socio-economic situation in the south is also a reason for the migration to the north.¹²⁸⁵

¹²⁸² Svanberg, Ingvar (1992) "Kazakstan" in Gustavsson, Sven & Svanberg, Ingvar (eds.) *Gamla folk och nya stater. Det upplösta sovjetimperiet*, Stockholm, Gidlunds förlag, p.358.

¹²⁸³ Klimova, Tamara (2001): "Migration Trends in Kazakhstan", *Central Asia and the Caucasus*, Vol.9, No.3, pp.178-182.

¹²⁸⁴ *Ibid.*, pp.179-183.

¹²⁸⁵ Bekturganova, Bakhytjamal (2001) "Kazaks Flee South in Drove", *Institute for War and Peace Reporting Central Asia*, No.62, 27 July, downloaded from the Internet 6 August 2001 on info@iwpr.net.

Religiously Related Threats

The religious composition of the population in Kazakhstan

According to official sources from 2000, 47 per cent of the population in Kazakhstan are Muslims, whereas some unofficial sources put the figure as high as 65 per cent. The large majority of the Kazakh part of the population is Muslim, but due to the impact of Communism on the country for more than 70 years, their faith is not always very strong. In addition to the Russian orthodox Slavic part of the population, there are also some other small ethnic groups that are non-Muslim and adhere to either Christianity or some other faith than Islam. Moreover, according to one unofficial source, there has been a tendency in the Muslim part of the population to convert to Christianity during independence.¹²⁸⁶

The role of the Islamic faith was rather weak among the Kazakhs even before the Soviet period. The Kazakhs, like the other Sunni Muslims in Central Asia, belong to the Hanafi school of Sunni Islam that is known as one of the most liberal orientations of Islam. Moreover, the Kazakh nomads living on the steppe were not converted to Islam until 18th century. The knowledge of the religion has remained low and for many people the religion has been largely equivalent to the practice of the rituals. The regions on the border to Uzbekistan with a relatively large number of ethnic Uzbek citizens are the most religious Islamic regions in the country.¹²⁸⁷ The estimated number of ethnic Kazakhs that adhere to the Islamic faith is 80.6 per cent whereas the figure for the Islamic Uzbeks in Kazakhstan is 100 per cent. Sunni Islam is generally stronger in the south-eastern part of the country. There is also a small area in the south of the country where Sufism plays a certain role, although the general impact of Sufism is not particularly strong in Kazakhstan. The number of people belonging to Shia Islam in Kazakhstan is low according to several sources of information, but there are no official statistics supporting this information.¹²⁸⁸

Radical Islam in Kazakhstan

Kazakhstan has had relatively few radical Islamic movements operating on their territory and the authorities are trying to keep them out of the country. In May 2001, four alleged members of the orthodox Islamic Hizb-ut-Tahrir party were arrested for distributing leaflets calling for the establishment of an Islamic caliphate in Central Asia. Two of the accused were found guilty of taking part in anti-constitutional activities, but the court failed to prove charges of

¹²⁸⁶ Ablyzov, N.: "Islamic Extremism in Central Asia: a New Challenge and Complete Non-Readiness", *The Globe*, 5 October 1999, p.7; *Interview with Mufti of Kazakhstan* conducted by Olga Melkova in Almaty, 5 January 2001; *The Religious Situation in Kazakhstan* (2000), A social research report from the Centre of Humanitarian Research, Almaty, Republic Agency of Statistics and *Statistics about the Religious Situation in Kazakhstan* (2000) Almaty, Republic Agency of Statistics.

¹²⁸⁷ Haghayeghi, Mehrdad (1995) *Islam and Politics in Central Asia*, New York, St. Martin's Press, pp.78-81 and Svanberg, Ingvar (1996) "Kazakhstan – ett nytt land mellan Europa och Asien" in Petersson, Bo & Svanberg, Ingvar (eds.) *Det nya Centralasien: fem forna sovjetrepubliker i omvandling*, Lund, Studentlitteratur, p.39.

¹²⁸⁸ Ablyzov, N.: "Islamic Extremism in Central Asia: a New Challenge and Complete Non-Readiness", *The Globe*, 5 October 1999, p.7; Cultangaliva, A. (1999) "Evolution of Islam in Kazakhstan", *Central Asia and the Caucasus*, Vol.5, No.4; *Interview with Mufti of Kazakhstan* conducted by Olga Melkova in Almaty, 5 January 2001; *The Religious Situation in Kazakhstan* (2000), A social research report from the Centre of Humanitarian Research, Almaty, Republic Agency of Statistics and *Statistics about the Religious Situation in Kazakhstan* (2000) Almaty, Republic Agency of Statistics.

involvement in preparation of terrorist actions.¹²⁸⁹ Russia has charged Kazakhstan of allowing Chechen rebels to gain access to the Central Asian region through Kazakhstan. The experienced threat from radical Islam seems generally to have grown during the last years, much as it has done in the other Central Asian countries as well. In January 2000, President Nazarbayev made a statement in which he said he feared that Kazakhstan would be the next victim of the radical Islamic activities and he further claimed that the events that had taken place in Afghanistan, Tadjikistan and Chechnya were closely connected.¹²⁹⁰

According to a statement made by the Kazakh Foreign Minister Yerlan Idrisov in 1999 to representatives of ethnic cultural centres in the country, Islamic fundamentalists – described by the minister as Wahhabis – were trying to establish bandit formations in the mountainous areas of southern Kazakhstan on the border to Uzbekistan. The border services and the law enforcement bodies of the South Kazakhstan Region were taking measures on the border to Uzbekistan in order to detect and prevent the attempts.¹²⁹¹ Kazakhstan has also deemed it necessary to find new ways to maintain their security against the new threats. In order to be able to detect “criminal elements”, the Kazakh foreign ministry in October 2000 declared their intention to introduce migration control cards along the Kazakh-Russian border and the same measure would be taken for the borders with Kyrgyzstan and Tadjikistan.¹²⁹²

Like the other Central Asian regimes, the authorities in Kazakhstan suppress all non-official religions quite harshly. As an example, two women were detained in Western Kazakhstan for trying to transport more than 7,000 pieces of literature of the Ilinite-Jehovist sect, which is not registered in the country. The literature, that was confiscated, was reported to have contained expressions insulting other religions. It further propagated religious exclusiveness and extremism as it claimed that this religion was superior to other faiths, which contradicts the Kazakh law on religion.¹²⁹³

Economically Related Threats

Illegal trade

Like all other Central Asian countries, Kazakhstan produces, processes and transports drugs. There are extensive areas of wild growing poppy, primarily in the southern parts of Kazakhstan, as well as some hemp and ephedra plants. The pharmaceutical factory in Shimkent is the largest producing facility for narcotic substances in the CIS and, according to some information, illegal production is also carried out at this facility. The Kazakh territory is

¹²⁸⁹ RFE/RL Kazakh Service (2001) *Trial of Four Alleged Members of Hezb-ut-Tahrir Party Ends*, 11 May, downloaded from the Internet 18 October 2001 on <http://www.rferl.org/bd/ka/reports/archives/2001/05/0-110501.html>.

¹²⁹⁰ Rashid, Ahmed (2001) "Central Asia Summary: Recent Developments in Kazakhstan, Kyrgyzstan and Turkmenistan", *Eurasianet Eurasia Insight*, 18 January, downloaded from the Internet 1 October 2001 on <http://www.eurasianet.org/departments/insight/articles/eav011801.shtml>.

¹²⁹¹ Interfax Kazakhstan news agency: "Islamic fundamentalists trying to set up in south Kazakhstan – foreign minister", 6 November 1999, in *BBC SWB SU/3687 G/2*, 9 November 1999.

¹²⁹² Interfax-Kazakhstan news agency: "Kazakhs plan migration control measures with Russia, Kyrgyzstan and Tadjikistan", 2 October 2000 in *BBC SWB SU/3962 G/1*, 4 October 2000.

¹²⁹³ Kazakh Commercial Television: "Illegal religious literature seized in western Kazakhstan", 17 July 2001 in *BBC Monitoring Global Newsline – Central Asia Political*, 18 July 2001, from BBC Monitoring topic@mon.bbc.co.uk.

like the Russian Far East used for transit of drugs from China. Drug traffickers can operate relatively freely on the almost totally transparent Kazakh-Russian border, stretching for nearly 7,000 kilometres. The Russian Ministry of Internal Affairs has stated that 93 per cent of the marijuana found on the Russian drug market comes from Kazakhstan and 85 per cent of the hashish and 73 per cent of the opium in Russia is either grown in Kazakhstan or transported through the country.¹²⁹⁴

In 1999 the police seized 20 tons of heroin that mainly emanated from Afghanistan, but this was only thought to be about one percent of the total amount flowing through Kazakhstan. According to some officials, the war against the drugs is already lost since drug addiction had already grown 20 times since 1999 and drug related crimes had quadrupled.¹²⁹⁵ Officially, there are 37,408 drug abusers in Kazakhstan, but the authorities estimate the real number to be seven to eight times higher. The average age of abusers is falling, as is the age of traffickers. In 2000, increasing numbers of children (and women) were arrested for abuse and the law-enforcement agencies arrested more under-aged traffickers than in the past. Marijuana and heroin are the drugs most abused and the use of heroin has increased due to an increase in the heroin trafficking.¹²⁹⁶

Conclusions

The large Russian minority represents a sensitive ethnic issue for independent Kazakhstan. The northern part of the country has been contested and is heavily influenced by Russia. This has prompted a nationalisation policy in order to gain a strong and unified Kazakh nation. These “Kazakhisation” measures have however had negative economic consequences for the country. Firstly, they clash with the need to maintain good relations with Russia, who remains a very important economic partner for Kazakhstan. Secondly, the Russian population that has migrated in large numbers since the fall of the Soviet empire formed an important highly educated and specialised part of the Kazakh workforce that the country’s economy badly needs. Approximately a third of the emigrated Russians have returned to Kazakhstan again. Kazakhstan also a quite large group of ethnic Uighurs living on its territory, which creates sensitive relations with the country’s powerful Asian neighbour, China. There are at least four Uighur separatist organisations based in the region round Almaty that Kazakhstan needs to monitor carefully in order not to irritate China.

Religiously the country has remained relatively calm in comparison with the region at large. Almost all non-Russians in Kazakhstan are Muslims, but the faith is by tradition very unorthodox. This has caused a fear of retributions in the case radical Islamic would spread from the other countries of the region to southern Kazakhstan. There are increasing reports about radical Islamic groups operating in Kazakhstan, but the most active radical groups are still mainly concentrated to the countries that surround the Ferghana valley. The Uzbek part of

¹²⁹⁴ Zviagelskaia, Irina D. & Naumkin, Vitali V. (1999) “Non-Traditional Threats, Challenges and Risks in the Former Soviet South” in Menon, Rajan, Fedorov, Yuri E. & Nodia, Ghia (eds.) *Russia, the Caucasus and Central Asia: the 21st Century Security Environment*, New York, M. E. Sharpe, Inc., p.230.

¹²⁹⁵ Rashid, Ahmed (2001) "Central Asia Summary: Recent Developments in Kazakhstan, Kyrgyzstan and Turkmenistan", *Eurasianet Eurasia Insight*, 18 January, downloaded from the Internet 1 October 2001 on <http://www.eurasianet.org/departments/insight/articles/eav011801.shtml>.

¹²⁹⁶ NATO Partnership for Peace Documentation Center *Europe and Central Asia*, downloaded from the Internet 19 October 2001 on www.isn.ethz.ch/pfdpdc/e_index.htm.

the population that is in majority in some of the southern regions is generally more religious than the average citizen and it is from these same regions that most of the reports about religious extremist activities have emanated. Regardless of the absence of major religiously based radical activity, the authorities nevertheless suppress all elements that show any sign of threatening the position of the incumbent regime in the same manner as in the other Central Asian countries and do not allow opposing religious views. The more orthodox religious groups in Kazakhstan are thus forced to operate illegally in Kazakhstan as they do in the other countries in the region. The illegal drug trade is continuing and is likely to do so, since Kazakhstan is an important transit country for drugs to Russia and then onwards to Europe.

Summary and Conclusion

The risk for increased ethnic conflicts and possibly breakdown is probably still most imminent for Tadjikistan, despite the present relative calm. Kyrgyzstan, which is the most ethnically fragmented state in the Central Asian region, has already had several minor inter-ethnic conflicts and the tensions could easily escalate because of the difficult socio-economic situation in the country, especially in relation to the Uzbek minority. Even if the authorities have been cautious not to aggravate the tensions between the ethnic groups because of their dependency on Uzbekistan and wish to maintain good relations with the western neighbour, they cannot control all local disputes that might spread quickly, as has been shown by several examples in the past. Tadjikistan is also the most exposed country in relation to an increased influx of refugees from Afghanistan, even though it is something that worries the regimes in all the countries. Uzbekistan has not appeared to exercise the same caution and has taken several measures that might aggravate the tensions both in relation to the ethnic Uzbeks in Kyrgyzstan and Tadjikistan and, perhaps even more so, in relation to the severely pressured Tadjik minority in Uzbekistan. An escalation of any of these conflicts could easily spread across the rest of the region, because of the presence of minority groups in all countries, especially ethnic Uzbek groups.

Kazakhstan has remained ethnically relatively calm and the risk for increased tensions in relation to the large Russian minority in the north does not seem to have increased, even if the question remains sensitive. The question of the Russians seems to be more of an inconvenience than a threat of conflicts, which is further increased by the economic consequences of the large migration of the highly qualified Russian workforce. The same could be said about the ethnic Uighurs in both Kazakhstan and Kyrgyzstan. The two countries have been anxious not to provoke China and keep the separatist tendencies among their groups of ethnic Uighurs closely monitored. Turkmenistan is probably the least exposed country in relation to the threat of ethnic conflicts, both because of the regime and the policy for maintaining inter-ethnic calm and because it is ethnically a relatively homogeneous country in relation to the other Central Asian states. Like the other Central Asian states, however, the internal problem of tribal or clan disputes is a potential risk also for Turkmenistan that could easily escalate since the same clans or tribes have been favoured both during the Soviet period and after independence, which has created deep discontent among the others.

Uzbekistan is the most religious country in the region and the religious development in Uzbekistan is crucial for the development in the whole area. An increase in radical Islamic activities in Uzbekistan would have consequences for the whole Central Asian region because of Uzbekistan's geographic location, large diaspora groups in neighbouring countries and the overall strong impact on the regional Islamic development exercised by Uzbekistan, or rather, the Uzbek people. At least in Kyrgyzstan and Kazakhstan, it is the Uzbek ethnic minorities that are the most devoted Muslims in the region and they live in areas adjacent to Uzbekistan. The authorities in Kazakhstan are consequently afraid that radical religious activities and groups might spread from Uzbekistan to the Uzbek-dominated areas in southern Kazakhstan. The same fear can be found in Turkmenistan, even though they do not acknowledge it publicly. The radical religious activities have already spread to Kyrgyzstan and Tadjikistan and the authorities now believe that the radical groups are targeting their countries in their own rights. The hard pressure put on all religious and other potential opposition groups in all the Central Asian countries does not seem to be abating and has already created a better

breeding ground for the more radical groups, especially in the most socio-economic disadvantaged areas in the region. There is a clear connection between poor areas with high unemployment and strong adherence to radical Islamic groups and ideas and as long as the present hard socio-economic conditions coupled with increasing authoritarian measures prevails, the more radical Islamic groups will continue to find new recruits.

The illegal drug trade is an acknowledged problem for all countries in the region that is also likely to continue because of the difficult socio-economic conditions and the lack of properly guarded borders. The measures that have been taken to control the drug trade have so far not been efficient enough even to decrease the trade to any significant extent. The external Afghan-Tadjik border remains a particularly weak spot, which has consequences for the whole Central Asian region since the internal regional borders are still very poorly guarded. Even if the flow of drugs from Afghanistan would decrease, the hard socio-economic conditions and lack of other prospects for finding good income would probably lead to an increase in the internal production of drugs in the Central Asian countries.

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