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ANALYSES

Belarus: the outcome of elections does not preclude co-operation with the West

The elections to the House of Representatives (the lower house of the Belarusian parliament), which ended on 28 September, did not meet democratic standards, as the initial OSCE report has expressed. The ballot was marred by numerous violations of the electoral laws, many instances of tampering with the vote count have been detected, and none of the democratic candidates succeeded in entering parliament.

Although the EU had made the continuation of dialogue with Minsk conditional on its assessment of the elections, it seems that nevertheless their co-operation will continue, as both sides are very interested in keeping their dialogue.

Democratic elections are still far away

According to the official results, 110 seats, i.e. 100% of the total number, were won by deputies associated with the ruling group. The turnout was around 75% and did not fall below 50% in any of the districts, which means that the election was valid under Belarusian election laws. Even though the government's policy towards the opposition had been less restrictive than during previous elections (for example, the security forces did not attack the opposition demonstration staged in Minsk in the evening of the election day), the election campaign, the vote and the ballot count failed to meet democratic standards, according to the OSCE mission's assessment. Information from international observers suggests that numerous violations of the election laws occurred during the early voting when most observers were unable to scrutinise the process. In many polling stations, the turnout was artificially boosted and extra ballots were added to the ballot boxes. Numerous instances of tampering were also detected during the vote count, which could mean that at least some opposition candidates were deprived of realistic chances of winning a mandate.

The motivations behind Lukashenka's game

The character and outcome of the parliamentary election indicate that Alyaksandr Lukashenka is only interested in dialogue with the West in so far as it takes place on his conditions – in other words, that it does not involve any concessions which would change the political system in Belarus. The Belarusian leadership is nevertheless willing to develop its economic co-operation; first and foremost, it seeks to attract Western investments, loans and technologies. Furthermore, by declaring a willingness to develop friendlier relations with the West, the Belarusian president is trying to expand his room for manoeuvre as he faces mounting pressure from Russia in matters such

as the participation of Russian companies in the possible privatisation of Belarusian petrochemical establishments, or Belarus' recognition of Abkhazia and South Ossetia's independence. This problem seems to be of particular moment in the context of the upcoming visit by Russian PM Vladimir Putin to Minsk, which is scheduled for 6 October. This is why, according to the head of the Central Election Commission Lidia Yermoshina, the critical assessment of the OSCE is in fact an invitation to dialogue and the further development of relations with the EU. Along the same lines, President Alyaksandr Lukashenka stated during a meeting with the vice-president of the OSCE Parliamentary Assembly Anne-Marie Lizin on 30 September that he expects all the EU sanctions on Belarus to be lifted. At the same time, he has expressed no criticism of the OSCE mission's activities, which he had done very harshly on the occasion of the previous parliamentary elections in 2004.

Dialogue to continue nevertheless?

The OSCE representatives have emphasised that the final version of their report will only be ready in one month, and that the current assessment need not entail a discontinuation of the recently renewed dialogue between Minsk and Brussels. However, the EU officials have not taken any position on this issue yet, and have limited themselves to issuing a communiqué stating that they have acknowledged the initial report of the observer mission. On the other hand, the US Department of State's spokesman Sean McCormack has stated that despite its disappointment with the elections, Washington will continue its dialogue with the Belarusian authorities.

It seems that both Minsk and Brussels are so interested in continuing their dialogue that the negative assessment of the election will not lead to any interruption of the newly-resumed contacts. However, this assessment may slow down the tempo of Belarus's rapprochement with the West, and make it difficult to lift all sanctions against Minsk.

Kamil Ktysiński

Latin America as Moscow's bargaining chip

Since the war with Georgia, Russia has significantly changed its policy towards certain Latin American states. So far, Moscow had been mainly interested in gaining economic benefits from those countries, while its political presence had remained limited. In recent weeks, however, Russia has decided to step up its political and military co-operation with the countries of the region, and to give that co-operation a wider propaganda dimension. This tendency is particularly apparent in the case of Venezuela (which has been offered a loan for the purchase of arms, and will hold a joint maritime exercise with Russia), as well as Nicaragua and Cuba. Russia's activity in Latin America is primarily a bargaining chip in its relations with the United States, designed to persuade Washington to limit its activities in the CIS area and to stand as a symbol of Russia's growing global potential. As the USA's position in Latin America is eroding, and as the number of governments antagonistically disposed towards Washington increases, Russia sees better opportunities for political involvement in a region which has traditionally been dominated by the USA.

Intensification of Russia's policy

Russian has taken a number of measures in the course of the last month, which are indicative of a change in its policy towards Latin America. On 10 September, Russian strategic bombers performing patrol sorties landed in Venezuela, and on 16–18 September, a Russian delegation including deputy PM Igor Sechin and representatives of Russian armaments and energy companies visited Cuba, Venezuela and Nicaragua. On 24 September, the Russian ambassador to Nicaragua announced that Russia would assist that country in replacing its military arsenal. In addition, during President Hugo Chavez's visit to Moscow on 25–26 September, Russia pledged to grant Venezuela a loan of US\$1 billion for the purchase of military equipment. In November this year, the two countries will hold a joint maritime exercise in the Caribbean Sea, a move which was also backed on 30 September by the president of Ecuador. Also, Russian prime minister Vladimir Putin has mentioned possible assistance to Venezuela in that country's development of a nuclear energy programme. Finally, a memorandum has been signed on the creation of an oil consortium including Venezuela's PdVSA and Russia's Rosneft, LUKoil, Gazpromneft, Surgutneftegaz and TNK-BP to explore and produce oil in Latin America, although this undertaking is still in a very early phase.

Russia's presence in Latin America to date

So far, Russia's policy has been focused on economic benefits, especially in the field of the sale of arms (the development of new markets) and energy co-operation (see the Appendix for more information).

During the months preceding the war with Georgia, Moscow was seen to be sending signals to the US indicating that the Russian presence in the region is non-confrontational: President Chavez's visit was postponed, nego-

APPENDIX

Russian armaments sales to Latin America

Venezuela is the main purchaser of Russian arms in Latin America. Since 2005, it has purchased US\$4 billion worth of armaments from Russia. The contracts in place provide for the supplies of helicopters (Mi-24, Mi-26 and Mi-17), transport aircraft (An-74), multi-role fighter aircrafts (Su-30MK) and air-to-air missiles (R-73, R-77). In addition, an agreement has been concluded for the purchase of 100,000 AK-103 rifles as well as the construction of a factory to manufacture this type of weapon.

Andrzej Wilk

The activities of Russian energy companies in Latin America

The activities of Russian energy companies in Latin America are currently limited to exploratory works, and are focused in Venezuela, the country which holds the region's largest hydrocarbons reserves (6.6% of the global oil reserves and 2.4% of gas reserves), as well as Bolivia.

Gazprom may potentially build a strong position in the region; however, most of the memorandums the Russian monopoly has concluded so far are vague and unspecific. In 2005 Gazprom was awarded a licence to explore gas reserves in Venezuela (Urumako-1 and Urumako-2 blocs); in July 2008, it signed an agreement with PdVSA, the Venezuelan state-owned concern, to assess the reserves of the Ayacucho-3 bloc. In September this year, the two companies also signed a memorandum defining the possible directions of co-operation. Back in 2007, Gazprom signed a co-operation memorandum with Bolivia's YPFB, and in September 2008 it signed another memorandum concerning a minority stake in one of Bolivia's projects. The Russian monopoly has also repeatedly expressed interest in the construction of transmission infrastructure in the region, including the design work on the pan-American gas pipeline (from Venezuela to Brazil and Argentina).

tiations concerning a new agreement on the sale of arms to Venezuela were prolonged, and Francisco Santos, the vice-president of Columbia (a country hostile to Venezuela) was welcomed in Moscow.

Moscow's global objectives

The recently observed changes in Kremlin policy are directly related to the rise of Russian-American rivalry in the aftermath of Russia's conflict with Georgia. Russia is seeking to achieve two fundamental objectives: to demonstrate the global character of its foreign policy, and to gain a new bargaining chip in its relations with the United States.

Russia's increasingly active political and military co-operation with selected Latin American countries is intended to make the US aware that Moscow is able to undermine US interests, and to persuade Washington to limit its activities in the CIS area; Moscow is representing its joint exercise with Venezuela as a reaction to the temporary presence of US warships in the Black Sea. Moscow's activity is also a response to the USA's plans to deploy elements of its missile shield in Central Europe.

Prospects

Russia is using Latin America instrumentally, and its further course of action will depend primarily on the dynamics of relations between Moscow and Washington. However, due to the permanent nature of the controversies between Russia and America, it should be expected that Russia will continue intensifying its policy towards Latin American countries. Most probably, however, Russia will end up having to pay the economic costs of this growing activity.

Although the effects of Russia's actions will probably remain limited (its military presence is not permanent), the anti-American attitudes of many Latin American leaders, who treat Russia as a potential ally in their relations with the USA, create favourable conditions for Russia's increasing activity in the region. Consequently, while the Kremlin's measures cannot counterbalance US influence in the region, they are capable of seriously complicating the United States' situation in its immediate neighbourhood.

Marcin Kaczmarek

Among oil companies, LUKoil has been the most active in Latin America; it has been searching for oil in Columbia since 2002 (the Condor bloc), and has been involved in the assessment of oil reserves in Venezuela since 2005 (the Chuin-3 bloc). TNK-BP has been assessing the oil reserves in Venezuela's Ayacucho-2 bloc since 2007. In 2008, state-owned Zarubezhneft signed an agreement for the exploration of oil deposits in Argentina's shelf. The weakness of the Russian companies is that they are not technologically prepared to extract heavy oil and gas in Venezuela, and are not willing to spend billions of dollars on investments.

Wojciech Konończuk, Ewa Paszyc

EVENTS

Medvedev sets the tone for the Russian army's development

During a meeting with the top ranking commanders of the Russian Armed Forces on 26 September, the Russian president Dmitry Medvedev announced that new guidelines had been adopted for the Russian army's development up to 2020. By the end of the next decade, the Russian armed force is to be transformed into a highly-professionalised state-of-the-art offensive force. In propaganda terms, Medvedev's statements should be seen as a challenge to the military dominance of the United States.

Russia's military intervention against Georgian in August has demonstrated that the professionalisation and technological modernisation of the Russian army, which was started during Vladimir Putin's presidential term, is producing the expected results. Russian forces were able to defeat the Georgians relatively quickly, by engaging a smaller force. At the same time, they have been continuing different military exercises on a scale comparable with Soviet times. On 26 September Medvedev took part in the closing of one of the phases of the Stability 2008 exercise, which spanned several weeks, and involved all the Russian institutions of force throughout the territory of the Russian Federation, in addition to the Armed Forces.

The guidelines concerning the development of the Russian army to 2020 are a continuation of the changes implemented so far during the period of Russia's financial prosperity. The practice suggests that the programme (to be elaborated by the end of December) will come to fruition. Medvedev's statements also show that Russia is not afraid of a possible reversal of the current favourable trends in the global economy, and intends to take advantage of the relative weakening of the United States. <wilk>

Russia adopts a tougher line on the Black Sea Fleet

On 25 September, another round of consultations took place between the Foreign Ministries of Ukraine and Russia, concerning the terms and conditions of the Black Sea Fleet's stationing in Crimea. The position of the Russian delegation, and especially the statements made by its head, indicate that Moscow is paying no heed to the arguments of its weaker partner.

In the course of the consultations, Kyiv put forward a proposal to discuss the new terms for the Fleet's movements across state borders, as laid down in the presidential decrees of 13 August 2008, but the proposal was rejected by Russia (albeit not directly). Ukraine has also once again expressed its willingness to sign an agreement regulating the Fleet's operations in crisis conditions, and Russia has agreed to consider the proposal. The Russians presented the topics they wanted to discuss during subsequent rounds of consultations. At the same time, the Russian Ministry for Foreign Affairs accused Ukraine of politicising the question of the Fleet's stationing and of making unilateral actions in this matter, which it deemed to have the tone of an ultimatum being set.

The head of the Russian delegation, ambassador-at-large Vladimir Dorokhin, said that Moscow's position on Ukraine would depend on how loyal the Ukrainian authorities are willing to be towards the Black Sea Fleet. He also said that increasing the charges for the lease of the bases was not within the remit of the Ukrainian authorities and depended on Moscow's approval.

It appears that Moscow is taking advantage of the weakness of the Ukrainian leadership, which is entangled in internal struggles, and sees the negotiations as an opportunity to dictate the conditions of the Black Sea Fleet's stationing; furthermore, Moscow appears to be combining the issue of the Fleet with other aspects of its co-operation with Ukraine. <AnG>

The foreign ministers of Turkey, Armenia and Azerbaijan meet

An unprecedented meeting of Ali Babacan, Eduard Nalbandian and Elmar Mammadyarov, respectively the foreign ministers of Turkey, Armenia and Azerbaijan, took place on 26 September in New York. The meeting was also attended by representatives of the OSCE. The current rapprochement between Yerevan and Ankara may lead to a normalisation of Turkish-Armenian relations, or even allow the impasse of talks concerning the Nagorno-Karabakh conflict to be overcome.

Among other matters, the meeting participants discussed Turkey's proposal to create a new regional co-operation platform, named the Platform for Stability and Co-operation in the Caucasus, which would include Georgia, Armenia, Azerbaijan, Turkey and Russia. The prospects for a resolution to the Nagorno-Karabakh conflict were also discussed. Even though the talks did not produce any concrete results, the meeting itself should be regarded as unprecedented. The talks were occasioned by the recent intensification of Ankara's policy, the objective of which is to strengthen Turkey's position in the Caucasus. This policy includes efforts towards normalising relations with Armenia and the resolution of the Nagorno-Karabakh conflict. The involvement of Ankara, combined with Yerevan's current policies (focused on efforts to establish diplomatic relations with Turkey) and Baku (which holds the conviction that chances for a military resolution of the Nagorno-Karabakh conflict are slim, given Russia's tough position in the Georgian conflict), have created a favourable climate for normalisation of the relations between the three countries. In future, this may lead to the establishment of diplomatic relations between Armenia and Turkey, or even a rapprochement between Baku's and Yerevan's positions on the Nagorno-Karabakh conflict. <bart>

Turkmenistan adopts a new constitution

A new constitution for Turkmenistan was adopted during an extraordinary meeting of the People's Council (Khalk Maslahati) on 26 September. The government's intention in introducing the changes was to broaden the scope of political and economic freedoms, and reassert the direction of reforms it has adopted. However, the new provisions concerning democratisation should be regarded as a mere response to external expectations and – unlike the provisions concerning economic matters – should not be expected to come to fruition.

The new constitution eliminates the People's Council, hitherto the republic's highest representative and legislative body, and transfers its competences to the president and the parliament (Mejlis). It increases the number of deputies from 50 to 125 (President Berdimuhammedov has announced that elections will take place towards the end of the year). The amended constitution also states that the country would work towards developing a market economy and mentions the right to establish political parties. The direction of economic changes declared in the constitution confirms Ashgabat's intention, which has been observed for some time already, to create a favourable climate for foreign investors, especially in the energy sector (by means of reforms to the banking system, liberalising the regulations on foreign investments and making amendments to the tax code). The outlook for political reforms is different, though. The provision on the right to establish political parties, presented as the president's pro-reform move, will probably prove to be an empty gesture. <wol>

CES

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