



Contemporary Caucasus Newsletter

The Berkeley Program in Soviet and Post-Soviet Studies

Issue 8

Summer 1999

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Weak States and Ethnic Conflict

Leila Alieva

The extent of foreign investment in the Caucasus, predominantly by U.S. and European companies, makes political stability in the region of considerable interest to the international community. Unfortunately, the post-Soviet Caucasus has been characterized by pervasive conflict, particularly ethnic conflict. This is consistent with global trends in the past decade, during which the incidence of ethnic conflict has increased around the world as well. These conflicts generally are based on competing claims to territory during the process of state building, particularly when two emerging states contest new external borders. This becomes especially problematic if the borders are not clearly delineated and where there are overlapping ethnic populations. Ethnic conflicts can also involve different understandings of the principle of national self-determination. That conflicts over self-determination have broken out in places as disparate as Quebec and the former Soviet Union demonstrates their universal character.

Ethnic conflicts originate from the very emergence of a nation-state. Today, formal recognition as an independent state is symbolically the highest status that a nation can attain. For an ethnic group, having a state means having access to, and control over, political, economic and cultural assets. It also means the assertion of a nation's equality with other nations that possess their own states, as well as political participation on a relatively equal basis in world affairs, at least legally.

On the other hand, the existence of different levels of national "sovereignty" within states makes status inequality a major cause of conflict over self-determination and secession. Inequality may be real or perceived in cultural, economic, or political spheres. And it may or may not be attributed to the discriminatory policies or the design of a political regime. In the Soviet case, however, cultural self-determination for the autonomies was accompanied by a lack of political participation, as is typical of authoritarian systems. The USSR's national territories also suffered from economic underdevelopment, as is typical of peripheral areas, as well as from economic difficulties caused by geographic location (for example, by being extremely mountainous, as in the case of the Caucasus).

Two factors in particular help account for conflicts between ethnic groups in the former Soviet Union – the ethno-federal structure of the Soviet states in which administrative division was based on ethnicity, and the collapse of empire, which led to a crisis of state

legitimacy and eliminated the restraining effect of Soviet power. As a result, local elites were able to play the role of ethnic entrepreneurs and convince their constituencies of the advantages of secession and full independence.

The politicization of ethnicity in the USSR began earlier, however, during the period of Khrushchev's "thaw" in the 1960s. With the launching of the Gorbachev reforms, ethnicity, historical memories, and inter-communal grievances were immediately evoked and manipulated during the political struggle that accompanied the collapse of empire.

Interethnic conflicts were particularly intense in the Caucasus, not only because of illegitimate borders and overlapping settlement patterns but also because of pervasive land scarcity. To this were added problems that were shared by other union republics – economic stagnation, shortages of consumer goods, rising material inequality, the growth of the shadow economy, ur-

banization, and labor shortages.

Territorial disputes in the Caucasus in the post-Soviet period were thus inevitable. The key was to keep these disputes from turning violent. Political actors needed not only to refrain from exacerbating these conflicts but to adopt proactive policies that would keep them from escalating into full-blown wars and humanitarian emergencies. However, this was complicated by protracted crises of state legitimacy and frequent leadership changes in the Caucasus, which further contributed to the insecurity of "ethnic" minorities. Thus, whereas the basis for conflicts in the post-Soviet Caucasus was provided by unclear borders and the USSR ethno-federal structure, their transformation into wars and humanitarian emergencies required a coincidence of at least three additional factors:

- the salience of the territory
- social and economic inequality
- a crisis of state legitimacy

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In the summary of the talk by Dr. Elkhan Nuriyev in the previous issue of this newsletter, the second sentence in the first full paragraph on page 23 should read, "Azerbaijan has aligned itself with the West, and its ability to survive as an independent state, and to build democratic institutions, will largely depend upon the presence of the West and American support."

There were also errors in the summary of the lecture by Professor Richard Hovannisian. Professor Hovannisian submitted the following corrections and clarifications:

"1. Professor Nina Garsoian has never stated that the Armenians were actually Iranians. She has argued, however, that the medieval Armenian and Iranian social structures mirrored one another in many ways and that, as the result of the adoption of Christianity in Armenia and the long struggle against Sasanid Iran, classical Armenian historians tended to obscure much of these common features. Garsoian also emphasized that Armenian society was based on the 'nakharar' system of semifeudal, rural organization rather than on an urban structure. Classical Armenian historians have themselves attested to the presence of significant non-Armenian elements in certain Armenian cities. The point I wished to make during my talk was that these issues of medieval Armenian history are in need of further investigation and elucidation, just as are questions related to the ethnogeneses of the Armenian people and other aspects of ancient Armenian history.

2. The massacres of Armenians in 1909 took place in 'Cilicia', not 'Silyassia.'

3. The Russian revolution and Kerensky government were in 1917, not 1918.

4. The dates in the sentence, 'There is also a lacuna in our knowledge of Soviet-Turkish relations from 1912 to 1918,' are in obvious error and should be read '1918 to 1921'."

The referenced articles, we would like to reiterate, were summaries of talks by Professor Hovannisian and Dr. Nuriyev, not verbatim transcripts. Neither were they reviewed in advance by the speakers. We regret any inconvenience the errors may have caused.

The Importance of Territory

The ethno-territorial division of the USSR reinforced importance of territory in the self-definition of the post-Soviet nations, as did various demographic factors in the Caucasus. For example, while the region comprised 2 percent of the total territory of the USSR, it had 10 percent of the Soviet population. Moreover, the Caucasus was, and still is, characterized by very high population density and a high rate of population growth, which contributed to pressures on land and housing. Arable land was particularly scarce – for example, 90 percent of Armenia is mountainous. Armenia was also very dependent on energy, dairy, and grain products from her neighbors. Soviet, and earlier Russian, colonial practices of deportations and forced resettlements further contributed to territorial disputes. In 1957, for example, the rehabilitation of the Chechens and the Ingush, and their partial return to the Caucasus, were accompanied by clashes and pogroms. Yet another factor was the extent to which autonomous areas in the region were subsidized by the Soviet state, which meant that local authorities were particularly threatened by the dissolution of the Soviet Union. Finally, most of the countries of the Caucasus do not have easy access to the ocean or to international markets, which further raised the stakes of territorial disputes in the region.

Socioeconomic factors

Socioeconomic factors also help explain the vulnerability of the Caucasus to ethnic conflicts. Not only were local economies destroyed in the Soviet period, but the landlocked countries of the region were mutually dependent for transportation and communication routes. The disruption of these routes contributed to a decline in living standards and life expectancy.

Despite a degree of uniformity in social security and equality of distribution, the republics and the autonomous regions of the Caucasus differed in many important socio-economic indicators in the Soviet period. Azerbaijan, for example, received only 61 percent of the Union-wide average for investment funds, while Armenia and Georgia received 75 percent and 64 percent respectively. Living standards were lower than the Soviet average in Armenia and Georgia - by 10 percent and 15 percent respectively. They were even lower, however, in Azerbaijan, where they were 30 percent below the Soviet average. Azerbaijan also had the fifth highest rate of poverty of the former union republics, and it ranked close to the bottom in the USSR in average wages. Nevertheless, its contribution to the central budget was much higher than that of neighboring republics. Structural imbalances in the Azerbaijani economy were significant, with its concentration in resource production, while industrial production was also highly concentrated in two cities – Baku and Sumgayit.

Yet another factor was an increasing gap in living standards between Baku and Azerbaijan's regions. This was true for the Caucasus as a whole – some 10 percent of the population of Georgia had 20 percent of total personal savings in the republic. But again, the disparity was even worse in

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Azerbaijan, where 10 percent of the population had 33 percent of total personal savings. These internal inequalities had the effect of increasing interethnic tensions in the region. Many Armenians, for example, assumed that the social situation in the Armenian enclave of Nagorno-Karabakh in Azerbaijan was worse off than Armenia, not because of the lower standard of living in Azerbaijan, but because Baku was deliberately discriminating against the Armenian minority. In fact, socioeconomic conditions in Karabakh were no worse than those of other rural areas of Azerbaijan. Like other peripheral and highland areas in the Caucasus, Karabakh had particular economic problems, such as poor access to sanitation and potable water. Most of the complaints articulated by Karabakh Armenians themselves were directed at Soviet authorities in Moscow, not at republican authorities in Baku, and they were less about specific economic issues and more about the lack of communication links with Armenia, the absence of highways connecting Karabakh with Armenia, a lack of textbooks in the Armenian language, and so on.

Economics often played a role in the decision to seek or to prevent secession. In Abkhazia, for example, the shadow economy created groups that were directly endangered by the collapse of the Soviet Union. Local mafias and corrupt officials were aware that Russian markets for citrus fruits and tourism would suffer as a result of Georgian independence and the collapse of Soviet power.

The Crisis of State Legitimacy

The economic difficulties experienced in the Caucasus after the Soviet demise took place against the background of a collapsing empire, reflected in demands for secession in the autonomies and republics, intercommunal clashes, a growing insecurity among the population, and a deepening awareness of the crisis of Soviet power. The Soviet Union's police forces failed to protect the people from ethnic violence, and local Communists were unable to halt accelerating inflation and unemployment. A vicious circle developed in which economic crises deepened the political turmoil and vice versa, while unfavorable geopolitical conditions were leading to new humanitar-

ian emergencies. Economic problems were aggravated by mass meetings and strikes that took place throughout the Caucasus in the Gorbachev era. Azerbaijan's budget was also seriously affected by forty days of mourning and protest strikes in the wake of invasion of Baku by Soviet troops in early 1990. That year, Azerbaijan's GNP decreased by 11.5 percent.

The inability of state leaders to create effective armies also contributed to the region's humanitarian emergencies. The region's fragmented societies and the state's inability to raise taxes led to private financing of armies and warlordism. As Charles Fairbanks has argued, it is typical for armies to experience a "crisis of loyalty" in the wake of imperial collapses.



Leila Alieva at the Caucasus Conference, UC Berkeley, April 30, 1999

Widespread violence was another indicator and consequence of the crisis of state legitimacy, and it contributed to the mounting region-wide refugee crisis. In some cases, refugees fled their homes because of perceived threats from ethnic mobilization in the form of public meetings and strikes, but in other cases they were forced to leave as a result of deliberate deportation policies by local officials. In still other cases they fled in the face of mounting inter-communal clashes and spontaneous ethnic cleansing. The refugee crisis clearly had an economic dimension to it. Pogroms were carried out in many cases by people trying to occupy the apartments of their victims, while refugees from earlier rounds forced displacement attempted to occupy the houses of the expelled minorities on the ethnically cleansed territories, if the houses were left intact.

Ethnic mobilization and interethnic violence were more organized in Armenia. There, paramilitary forces joined local administrations in expelling the Azerbaijani population, particularly in rural areas. In Azerbaijan, in contrast,

the pogroms in Sumgayit were the result of spontaneous urban violence. The catalyst for the unrest was the arrival of an army of Azeri refugees from Armenia. The refugees had received little help from the Communist authorities in Baku; indeed, Azeri officials even tried to send them back to Armenia. Anger at Armenia coupled with economic frustration prompted the ethnic violence, mostly in slum areas and among marginalized groups (including hundreds of criminals). The role of local Communist authorities in the Sumgayit pogroms is still unclear, but it is important to recall that Azeri officials at the time were still dependent on Moscow, and therefore feared being punished by central authorities for disorder in their jurisdictions.

Elsewhere, ethnic cleansing was official policy for resolving the contradiction between the principles of self-determination and territorial integrity. The extermination or deportation not only of peoples but all traces of culture had the beneficial effect of reinforcing territorial claims. Successful ethnic cleansing also meant that the state no longer faced resistance from local ethnic minorities in the disputed areas or had any need to comply with international human rights conventions about protecting them.

In the post-Soviet period, resources and government budgets in the Caucasus have been substantially exhausted by military expenditures resulting from ethno-territorial struggles. Economic decline was thus accompanied by a growing accumulation of weapons. A lack of humanitarian assistance from the international community and foreign investment in the autonomies was compensated by a steady flow of arms from third parties. Most notably, a report by Russian General Lev Rokhlin about the illegal transfer of some two billion dollars in Russian arms to Armenia caused a huge scandal in Moscow. Likewise, a deal was cut between the Chechen president, Dzhokhar Dudayev, and the Russian Defense Ministry that led to the arming of most of the able-bodied male population of Chechnya.

Most of the post-Soviet leaders in the Caucasus today inherited the violent ethnic conflicts in their territories, and restoring peace has been quite difficult. The adoption of mutually exclusive decrees and the indiscriminate application of force has eventually led to the escalation

of conflicts and deepening political crises. Conflict and war have also been an important means to the consolidation of power. In Armenia, for example, the Karabakh crisis helped Levon Ter-Petrossian to come to power. Later victories in the war helped him to resist and counteract criticism from the Armenian opposition. Similarly, in Azerbaijan the crisis in Karabakh and defeat in the war were responsible for the fall of most of Azerbaijan's leaders since 1988.

The ongoing conflicts in the Caucasus are thus rooted in the complex nature of state-building and weak state institutions in the region. Ethnic conflicts remain unresolved under conditions of nationalist mobilization, which has in turn served as the major framework for state building in the Caucasus. However, cease-fires in the Armenian-Azerbaijani conflicts and the Abkhaz and South Ossetian conflicts in Georgia were necessary conditions for the strengthening of state institutions and economic reforms, and indeed there has been consistent economic growth since the cease-fires were signed. Political leaders in Azerbaijan and Georgia have managed as a result to consolidate their power and to establish order and basic political stability in their countries.

The nature of the new regimes in the region will play a crucial role in determining the chances for peace and stability. In Armenia, where war led to the creation of exceedingly strong power structures, there might well be a dictatorship of the "force ministries" and rule by the so-called party of war. In Azerbaijan, an unequal distribution of oil income and a further delay of political reforms might lead to the establishment of a "rent-seeking" regime, which in turn could produce a highly polarized and unstable society. The future of Georgia will depend upon the ability of its leaders to negotiate an end to the conflicts with the secessionist regions and on the nature of political succession after Shevardnadze leaves office. In all three countries, however, extremely centralized regimes exist at the expense of democratic development, and this might undermine state legitimacy in the future under conditions of partial liberalization. The choices political leaders make in these circumstances will determine the future of stability in the region.

Causes and Visions of Conflict in Abkhazia

By Ghia Nodia, Chairman of the Board, Caucasian
Institute for Peace, Democracy and Development

Mother Tongue: Linguistic Nationalism and the Cult of Translation in postcommunist Armenia

By Levon Hm. Abrahamian, Professor of Ethnology Yerevan
State University, Armenia

Soviet and Post-Soviet Area Studies

By Victoria Bonnell, Professor, Department of Sociology and
George Breslauer, Professor, Department of Political Science

New!

Prisoners of the Caucasus: Cultural Myths and Media Representations of the Chechen Conflict

By Harsha Ram, Professor, Department of Slavic Languages and
Literatures

Institutions, Identity, and Ethnic Conflict: International Experience and Its Implications for the Caucasus

1997 Caucasus Conference Report (cost of \$7.50)

The Geopolitics of Oil, Gas, and Ecology in the Caucasus and Caspian Basin

1998 Caucasus Conference Report

State Building and the Reconstruction of Shattered Societies

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From Ter-Petrossian to Kocharian: Leadership Change in Armenia

By Stephen Astourian, the William Saroyan Visiting
Professor of Armenian Studies 1998-99

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The zapovednik is in danger!
Anti-road campaign logo*

Roads and Risks in the Petroshadow: Notes on Ecology and Environment in the Russian Caucasus

By
Serge Glushkoff

My dissertation work in geography took me to the Russian Caucasus in August and September of 1999, where I divided my time examining conservation problems of the mountains and the coast. I spent a week crossing part of the Caucasus in the forests and on the ridges of the Caucasus Biosphere Reserve, through the courtesy of the Research Institute of Mountain Forestry and Forest Ecology. I was also able to travel up and down the coast between Sochi and Anapa to meetings that centered on opposition of the Krasnodar Krai public to the planned expansion of oil tanker traffic out of Yuzhno-Ozereivka, and development pressures brought to the Caucasus - Black Sea region. The following is an updated and modified version of a talk presented at the 95th Annual Conference of the Association of American Geographers in Honolulu in March of 1999.

The alleged bounty of Caspian Oil and Central Asian gas receives no shortage of attention these days, and provides a colorful, intricate set of geopolitical problems for policy scholars and observers of state powers. Geographers are interested in somewhat different parts of the puzzle. A primary concern for me is the effects of oil-driven regional economic development on the wildlands of the Caucasus, as well as the potential effects of the expansion of the petro-industry in the Russian Caucasus, particularly on Russia's primary tourist locale, the Black Sea Coast.

The nascent environmental movement of the area I've been studying — primarily southern Krasnodar Krai — is largely being forced into existence and organization because of the imminent risk of pipeline expansion at the Black Sea coast. But the movement also has its roots deep in the Russian Caucasus. Any examination of the movement's origin and directions thus requires looking not only at issues of the unhealthy mix of oil and seawater, but also of development in general and the relatively intact nature of parts of the Caucasus mountains.

I was initially drawn to the northwest flank of the Greater Caucasus by my interest in the area's biodiversity and protected territories, particularly Kavkazki State Biosphere Natural Reserve, or *zapovednik*. Aside from the Russian Far East, the Caucasus has the most variegated biota in the FSU. It is a transition zone between southern and northern groupings of biota, is on the border between temperate and subtropical climatic zones, and has altitudinal variation (from sea level to Mt. El'brus at 5642 meters) that provides for a wide variety of habitats over small scales. The Caucasus are bordered by steppe in the foothills to the north, and seas to the east and west. At elevations up to 500-600 meters they are covered with forested steppe, broad-leaved species such as oak and hornbeam with heavy brush understories, and also with meadows; beech is dominant in a middle belt above this, and coniferous forests dominated by spruce are higher yet.

*To investigate a website devoted to the opposition to the road through the Caucasus Biosphere Reserve, see: <http://www.l-d.da.ru>

In the Kavkazki Reserve the fauna includes 109 resident bird species, and 83 mammals, 23 of which are endangered. Many of these are ungulates. There is a population of mountain bison that are the successful result of a species recovery program that was initiated in the 1940s after there were only several dozen individuals remaining. Part of my work seeks to examine how wildlife populations are being managed in the Post-Soviet economy, wherein protected territories such as the *zapovedniki* (nature reserves), national parks, and *zakazniki* (hunting reserves) are encouraged by their federal sponsors to seek alternative funding.¹

Within the FSU, the number of protected areas in the territories of what are now today functionally Georgia, Abkhazia, Russia, South Ossetia, Dagestan and Azerbaijan was the highest. Within the Caucasus range, some 900,000 hectares, or slightly more than 2 percent of the total land mass was in *zapovedniki* at the time of the Soviet dissolution.²

Kavkazki Zapovednik

Of particular interest is the evolution of the Kavkazki (Caucasus) gosudarstvennyi (federal) zapovednik. The *zapovednik* is a uniquely Russian and Soviet institution roughly analogous to American nature reserves.³ The purpose of the zapovednik, as practiced during both pre-Revolutionary and Soviet periods, was solely scientific. As such, conservation science was somewhat more advanced than its American counterpart of the pre-war years, without some of the confusion in the latter's mandate between resource protection and human recreation.

The lands and borders of Kavkazki zapovednik are a rich site for environmental historians. Many of the Cherkess nations and groups of Ubyykh peoples had maintained small settlements (*aulih*), highland pastures, and hunting camps there prior to the Ottoman retreat from the area in the 1830s, and were among the peoples that left this area of the Caucasus and relocated to Turkey. Today *aul* remnants can still be seen in the Kavkazki zapovednik.⁴ These sites, often on old river terraces above the floodplain, then were used and controlled by the Kuban' Rada, the semi-autonomous Cossack structure. Officially, some 500,000 hectares of these lands were reserved for *tsarskaya ohota*: hunting for

the aristocracy.

The earliest *zapovedniki* were already established before the turn of the century. The limited impact of the *tsarskaya ohota* and regulated use by the Rada made the Rada lands the target of preservation advocacy by biologists and nature societies. The Russian Academy of Sciences proposed a plan for the creation of a wholly protected territory in 1909, but the Rada refused to accept the lands that were offered by the government as trade. The political unrest and civil war of the next fifteen years prevented any further action until 1923, when the Kavkazki gosudarstvennyi zapovednik was established, with an area of some 280,000 hectares.⁵

Although the territory and efficacy of the *zapovedniki* was greatly reduced nationwide by politically driven reductions during both the Stalin and Khrushchev periods, Kavkazki always remained as one of the best developed and documented units within the system.⁶ The longevity of the stream of research that has been done here has much to do with the early presence here of the *tsarskaya ohota*, and the reintroduction of the bison, a species that generated attention from both scientific and hunting communities.⁷ Systematic inventory work was started by the late 1920s, and mammal population distribution studies in the alpine meadows also began in those years. By 1931, forestry research directives had started, with occasional works in forest pathology and geobotany. In 1932, a training center for natural history researchers and instructors was established, and a chronicling system unique to the *zapovednik* system was formalized in 1940 (*Letopis' prirodi*). Work on biogeocenoses—nature “complexes”—began in 1973, as did many other projects. And in 1981, monitoring studies began, designed to view *zapovednik* biota as a sort of baseline in an otherwise anthropogenically modified world. These studies feed in to national and international observations of interactions of climatic and biotic processes.

In 1979 Kavkazki was among the first six *zapovedniki* in the USSR to become a MAB (Man and Biosphere) International Reserve, part of UNESCO's worldwide network of reserves, which seeks to create international databases and promote sustainable forms of natural lands

management. Kavkazki was chosen to represent the Black Sea-Caucasian biogeographic province of the Palearctic. The configuration of Kavkazki and adjacent administrative zones fits the basic scheme of the MAB design, which calls for a protective core research area surrounded by concentric buffer and resource use zones. Some of the protective functions of the *zapovednik* are at least theoretically enhanced by its border with the Sochi National Park. The latter designation, however, has little real significance in terms of restricting human access.

But Kavkazki is also important in another way that could not have been anticipated. It functioned as a sort of symbolic birthplace, or site of origin, for some significant components of what was to grow into the modern post-Soviet environmental movement, particularly for Krasnodar Krai and the Kuban'. Some of the earliest key meetings of the SEU (Socio-Ecological Union), Russia's largest and most influential environmental organization, took place at Guzeripl', located at the northern flank of the *zapovednik*. One of Kavkazki's stewards, Yuri Kuzmich, was a legendary figure in local environmentalists' lore. A colleague of his went on to become an Orthodox priest and is a main figure in an award-winning documentary film, *Zapovednik*, by Novorossisk film journalist Valera Timoshenko. *Zapovednik* centers on the mystical values of Kavkazki, linking the modern battles at the reserve against the "poaching" of Russia's dwindling wildlife with themes of "a poaching of the soul" of the post-Soviet Russian, and the complete breakdown of civil society in the northwest Caucasus as evidenced in the violent events in Abkhazia. As presented, Kavkazki, images of its glacier peaks juxtaposed with liturgy hymns, is the baseline from which Russians can still draw a spiritual frame of reference in such a world. And while the primary battle for Kuban's *zelyoniye* (Greens) has for some time been the effort to relocate the terminus of the oil and gas pipelines away from the Novorossisk area, Kavkazki remains a historical and spiritual center for environmental politics.

Beech and chestnut forests not within the *zapovednik* territory are also an issue of great concern. The hardwood forests of Bolshiye Thachi, located in southeast Adygeya, southeast of the village of Novoprohladnoye and close to the bor-

der with Krasnodar Krai, are officially protected by republic and federal law, but legal and illegal harvesting and export of roundwood to Turkey has continued for years. Karstic soils here allow only a very slow regeneration. A chief advocate of protection of this area has been a communo-anarchist association known as Atshy. They and their anarchist associates have taken direct action in the area, "spiking" hundreds of beech trees with six-inch nails and warning signs that read: "This forest is spiked with nails. No commercial value. Cutting is dangerous for life and health."⁸

In 1996, pressure such as this and from more conventional quarters led the Adygey Republic to retract harvesting permits in some of the more contested headwater areas. Conflict continues as to how much of this area, which also functions as part of the buffer for Kavkazki *zapovednik*, should be reopened to forest harvesting. The Atshy organization has also been successful in obtaining financial support from a Western NGO to conduct biotic surveys in the area. This data will then be used to advocate a new designation for these forests: as an addition to Kavkazki *zapovednik*, a national park, or at least a species-specific reserve for the auroch (wild ox). If these measures fail, direct action is an option; Atshy members talk of moving into these forests as a permanent defensive action.

This is in contrast to the situation around Tuapse, the port town where most of this harvest is ultimately exported to Turkey. Not all government agencies and workers choose to ignore activists and the local press, and attempts to regulate this flow do take place. Sometimes this has lethal consequences. There was apparently too much money at stake by the time that cut trees reached the coast for local mafia entrepreneurs to surrender their share, and violence against whistleblowers became common. Forest activists have since retreated from this arena on the resource transport route and have concentrated on the forest itself.

Adygeya and "Automobilization"

Since the winter of 1998, Kuban's greens have found themselves facing a direct challenge to Kavkazki itself, one that is brought on by the new post-Soviet economy. With the demise of a

centralized Moscow authority, *zapovednik* “inviolability” has become a thing of the past. Although the *tsarskaya ohota* syndrome (*zapovednik* as private hunting reserve for elites) never disappeared from Kavkazki (and other *zapovedniki*) during the Soviet period (*zapovednik* lore is replete with anecdotes of top Party officials flying in to hunt big game, sometimes from helicopters), the geographic integrity of the reserve has never been directly threatened. In recent years, economic hardship and the decline of the ability of *zapovednik* staff to patrol their territories has led to an increase in resource “poaching,” largely by local professional hunters who then sell marten, weasel and fox pelts, some bear parts (for export to the Chinese traditional medicine market), and fish (for local markets). Intermittent warfare in Abkhazia has led to occasional incidents of armed groups entering the *zapovednik* to hunt game (they are sometimes arrested by Russian militia that are alerted by *zapovednik* staff; many rangers are armed but are not equipped to apprehend groups of soldiers).⁹ But the most severe threat to Kavkazki *zapovednik* comes now in the form of a road from the north. The Republic of Adygeya has revived a campaign to build a road from the Lagonaki Plateau directly *through* Kavkazki and Sochi National Park territory to Dagomys, north of the tourist center of Sochi. This will basically link the landlocked republic to the coast.

The most obvious aspect of the problem is the very notion of stripping the *zapovednik* of its most essential feature: undisturbed wilderness. The creation of an automobile track through this area would doubtlessly and permanently alter the reserve and the variety of ecotypes along its axis. One agency document refers to this as a step in the “automobilization” of Adygea. This includes the Lagonaki Plateau alpine grasslands above the treeline and adjacent to the Fisht-Oshtenovskiy glacial massif; the Kamenoye More (“stone sea”) ridge, the camping and shelter area next to Mt. Fisht; and the forested uplands that surround an existing hiking and cattle trail to Babuk-Aul. The Shahe River and its anadromous fishery will also be impacted, and its new sediment load will ultimately drain to the Black Sea. The road project is in direct violation of Article Nine of the Federal Law on Specially Protected Natural Territories, and a variety of road opponents use this as a basis

of their position.

The projected cost of this road is some \$190,000,000. This route was one of four alternatives being considered that would allow Adygeya access to the Black Sea. The route favored by opponents is a rebuilding of an existing road between Tuapse and the Edgy capitol of Maikop. They challenge the validity of the TEO (techno-economical survey) that claims that the costs of these two routes are approximately identical; estimates previously done by the public works agency of Krasnodar Krai indicated that reconstruction of the Tuapse road would cost about a quarter of that amount.

As presented by the environmental and local press, the conflict does not appear to be simply about differing perceptions of the sanctity of the *zapovednik*. The governmental agencies of Edgy and Krasnodar are not of the same opinion about the *zapovednik* issue. Earlier assurances from President Dzhzhirimov about avoiding damage to the *zapovednik* was rather rapidly replaced by an announcement that a way around the problem was to modify the *zapovednik* borders. Part of the area impacted by the road would cease being within *zapovednik* borders, but other lands would be added.

Proponents of controlled development and *dikaya priroda* (“wild nature”) are now faced with simultaneous threats of the development of an oil transport infrastructure along the Black Sea Coast and into the heart of the Kavkazki *zapovednik*. They are attempting to elevate these issues to international significance by appealing to environmental organizations worldwide to fax their opposition to the degradation of a MAB reserve to the Adygeya, Krasnodar and Moscow administrations. This strategy is bolstered by Kavkazki’s recent nomination for World Heritage status, the highest ranking of official recognition of natural features within the UNESCO/MAB system.

Tourism: a central theme for Kuban’ environment

Officially, motivations for the road construction are rooted in the desire to expand the tourist sector of Adygeya, as only some 20 percent of the financing for the road is said to be coming from federal funds.¹⁰ The expectation of a rise

in tourist demand for the region does not seem to be based on any current projections of trends, but rather on a belief that the Adygey economy will improve if it can link its mountain-based tourism (to be comprised largely of skiing, but also to include an attempt to develop world-class rafting along the Belaya River) to the existing mainstay of the Sochi Coast economy, coastal tourism.

The Black Sea coast has always been Russia's premier tourist locale. Since the dissolution of the Union, Russians have seen their options for coastal access dwindle by some 70 percent. Much of the coast that is now inaccessible is in Ukraine, most notably Crimea. Perhaps more significantly, the southernmost reaches of the former Soviet empire, with the resorts of Gagra, Pitsunda, Gudauta, Eshera and Sokhumi (Abkhazia) and Kobuleti, Tsikhisdziri, Zelyony Mys and Makhindzhauri (Ajaria) are also no longer accessible. What remains is the area known as the Greater Sochi coast (150 km from the Abkhazian border at the Psou River north to the Shepsi River just south of the port town of Tuapse) and a handful of resort areas that include Dzhguba, Gelendzhik, and Anapa, another 230 km to the north. The port city of Novorossisk, the area where the Russian federal government hopes to take in its share of the Caspian bounty, is within the northern segment of this region, between Anapa and Gelendzhik.

Even before the downfall of the ruble in August 1998, the tourist sector here was just barely reverting to a semblance of its former capacity. Despite the reduction of area available to vacationing Russians, there has not been a corresponding increase in visitor densities. Two factors, neither one of which show any immediate signs of change, have led to this.

One is the tendency of *nouveau-riche* Russians to forego the attempts to lure them back to the Russian Black Sea with the new post-Soviet version of luxury, roughly equivalent to a western four-star hotel. The Radisson chain's Zhemchuzhina near Sochi loses to competition from equivalently priced options in Greece, Bulgaria, and other European locations.

The other factor that has chilled travel to Sochi is the geographical association with Caucasian wars and violence. This is said to impede Russians from flying into the area at Adler, which

is only minutes from the Abkhazian border (and is by far the best avenue of approach from the west, as there are direct flights to and from Istanbul during economically "normal" periods). Despite the complete absence of any direct impact or war-related incidents anywhere in Krasnodar Krai, the stigma of violence in the region has seriously damaged the century-old mainstay of tourism as the central component of the economy. This is particularly important in the case of the German and Finnish tourists who used to provide a large infusion of foreign currency to the area until the early nineties. Today one sees no foreigners in any of the coastal hotels or beaches; the only exception are occasional groups in Toyota LandCruisers from UN peacekeeping divisions who have come from their stations in Abkhazia on their time off.

The decline of the ruble came mercifully late last year in the remains of what used to be year-round season on the Greater Sochi Coast. Despite the subsequent stabilization of the ruble for the months since then, there is little sign of renewal of tourist travel this year; occupancy rates are lower this month at the major Sochi hotels than they were a year ago.

So the Adygey aspiration of linking themselves to this sector of the economy by violating local, national and international environmental standards leaves serious doubts. There are other components besides tourism, however, that factor in to the Adygey plans for their portion of the Kavkaz. In the village of Guzeripl', the name of the only hotel, in its third year of construction, is "Enektur," which stand for Energy - Ecology - Tourism. The road along the glacier and through the *zapovednik* must carry similar dreams of development and dollars. But it has chosen a tough group of people to challenge, and it is an open question if close to a century's worth of conservation can be overturned in such a short time.

Caspian Oil: Big Contracts, Big Doubts on the Sochi Coast

Even more serious doubts abound about the even larger aspirations of the Russian government to secure its place in a much larger project, the Caspian Pipeline Consortium, (or "KTK" in Russian). There is the beginning of a coalition of *zyelyoniye* from Baku, Georgia, and Kuban' who

are starting to learn the value of support from Western NGOs. In April of this year, a conference on the local impacts of Caspian oil was sponsored by the American-based ISAR (Institute for Social Action and Revival) that brought together for the first time activists along the axis of the "BGN" (Baku-Grozny-Novorossisk) pipeline so heavily favored by Moscow. The conference generated a memorandum of cooperation among these activist and educational groups, and an information service focusing on the environmental effects of the Caspian oil is in the process of being established.

On the rare occasions that the environmental implications of the Caspian oil boom are discussed, the most frequently noted concern has to do with Turkish opposition to increases of tanker traffic in the already overtaxed Turkish Straits, where a moderate accident could bring the regional economy to a standstill.¹¹ But the impacts of the revival of the oil industry for Russian ports are seldom mentioned. This is in spite of the opposition of a majority of municipalities and residents in the Novorossisk area to the project, who are mounting a campaign pleading to greatly reduce, if not eliminate, their region's role in the geopolitical equation. This movement grew after a major oil spill in Novorossisk in May of 1997, when a third of 386 metric tons of oil from a ruptured pipeline spilled into the Black Sea.

The tourist economy around Novorossisk is perhaps best characterized by its proximity to Anapa, the largest concentration of child- and youth-oriented summer and vacation camps in the country. The juxtaposition of this economy and that of an oil transport sector for the multi-national "Project of the Century" is an unsettling one for local communities. A number of NGOs have been formed around the specific task of halting or derailing the KTK pipeline expansion. Opposition includes the growing "Hranityeli Radugi" (Rainbow Keepers) movement, which openly advocates direct action in the defense of natural resources. They are joined by a small but well-organized Kuban' anarchist network.

The "KTK question" is in fact not a ques-

tion about Novorossisk. Novorossisk is subject to some of Russia's strongest winter winds that lead to winter closures of the port. The port will be expected to handle more than 65 million metric tons of transport annually (approximately double of current capacity). KTK supporters plan to build an entirely new offshore loading facility some 12 km west-southwest of the port itself, at what is now the resort village of Yuzhno-Ozereivka, directly on the Black Sea coast.

This geographic detail is methodically omitted in most coverage of the pipeline plan. It is not an insignificant omission; in addition to buying out the population and tourist services of Yuzhno-Ozereivka (who voted 90 percent against the project in a non-binding referendum in 1997), the threat of an oil spill moves directly onto the coastline. A spill at Novorossisk could more easily be contained within the harbor itself (as it was in 1997).

Currently, the opposition movement in Krasnodar Krai is challenging the adequacy of the federal environmental assessment of the Ozereivka site. There is also an unmet demand for a full-scale risk assessment of the pipeline at the coast, done with the latest technology that has become available since the Exxon Valdez spill. If this fails, a referendum vote will take place. In April, demonstrations in Krasnodar and Novorossisk failed to rally large crowds but signatures have been overwhelmingly in favor of forcing the krai governor to petition Moscow for project cessation or relocation.

A crucial point is that the compromise fallback position is to shift the siting of the facility into an eastern portion of the harbor at Shesharis. Although the economic benefits to Russians in Krasnodar from the 6 percent or so that the federal government will be able to collect from the pipeline economy appears to impress few city officials, ecologists, or newspaper editorial chiefs, there is also a sense that it may be impossible to stop the project entirely. By keeping the industry within the industrial zone, Kuban' greens hope to at least minimize the threat to the coast.

E n d n o t e s

¹A basic answer to this is that most units are not faring particularly well. Kavkazki itself, the *zhemchuzhina* (jewel) of the system, is able to present foreign visitors with colorful bilingual brochures. The last five pages of the twenty-page brochure are dominated by images and text that are produced courtesy of its sponsors, R. J. Reynolds International. It informs readers of what RJR “can do for the future of Russia,” by “targeting preservation of Russia’s environmental heritage. This will be done in part with the support of its “flagship brand, Camel - the sponsors of the Caucasus resorts rejuvenation project. As a brand linked with outdoor activities and adventure, which is inseparably connected with modern man and nature, Camel is supporting the resorts cause.” The most prominent aspect of this campaign was the sponsorship of a whitewater rafting competition on the Belaya (white) River.

²*Zapovedniki Kavkaz* (Moscow: Mysl’, 1990).

³The most comprehensive social history of the *zapovednik* system through the Stalin period is Douglas R. Weiner’s *Models of Nature: Ecology, Conservation and Cultural Revolution in*

Soviet Russia (Bloomington: Indiana University Press, 1988.)

⁴While *zapovedniki* may have preceded American reserves in some forms of resource science, in realms of baseline monitoring for example, they historically failed to dedicate much attention to preserving culturally significant sites of non-Slavic peoples.

⁵Kavkazki *zapovednik* brochure, 1997. Other sources state sizes between 280,000 and 350,000 hectares.

⁶Many *zapovedniki* were further burdened by basic bureaucratic wrangling. Kavkazki has been managed by nine different agencies since its inception. Its borders have been changed twelve times; it has grown to 337,00 hectares, and contracted to 108,000 hectares, before settling at its current size. There have been conflicts between anthropocentric and scientific preservationist approaches. The Soviet experience was prone to extremes, wherein *zapovedniki* enjoyed long periods of scientific development that were then punctuated by drives for extreme utilitarianism.

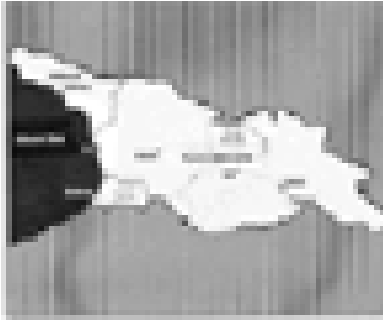
⁷Wild Caucasian mountain bison were driven to extinction in 1927, but a captive individual in Ukraine was bred with another and a hybrid race was ultimately produced that was used to repopulate the *zapovednik*.

⁸Vasili Azov, “Reid,” *Anarchia* I, May 1996.

⁹Along similar lines, there has been some concern that ungulate species in the north-eastern Caucasus have been affected by the larger number of wolves that apparently migrated there during the time of the war in Chechnya (wildlife moved away from the lowlands and deeper into the mountains during the war, which was characterized by intense bombardment). OMON troops are said to occasionally venture this far west in search of Chechen gunrunners.

¹⁰Letter from Krasnodar branch of the Socio-Ecological Union to Governor Kondratenko, March 17, 1997.

¹¹The usual rejoinder to this concern is the notion of an overland route west across Bulgaria.



Ghia Nodia was the visiting scholar at the Berkeley Program in Soviet and Post-Soviet Studies in 1996. He is the Chairman of the Caucasian Institute for Peace, Progress and Development of Democracy in Tbilisi, and is the author of many publications, including several key articles in the *Journal of Democracy*. He is currently a visiting fellow at the Wissenschaftskolleg Zu Berlin (Institute for Advanced Study). This summary is from a talk he recently gave in Madison, Wisconsin, dealing with the topic of the reconstruction of the Georgian state. The summary includes Professor Nodia's views as expressed both in his talk and in subsequent discussion on March 15. Summary provided by Serge Glushkoff.

1998—A Bad Year for Georgia?

Ghia Nodia

A List of Bad Things

Nodia's talk began with a list of "ten important bad things" that happened in Georgia in 1998.

1. February: an attempt on the President's life
2. May: a short war in Gali
3. October: Mutiny in Senaki
4. Failure of negotiations in Abkhazia
5. Deterioration of relations between Ajaria and Georgia
6. New tension in Javaheti
7. Strained relations with Russia
8. Fiscal crisis and currency devaluation
9. Leftist and populist victories in local elections
10. Cynicism about government getting even worse

The Status and Prospects of the Georgian State

Before exploring the possibility of a brighter side to all of these happenings, Professor Nodia examined the stage on which they took place. There exists a view that there are three potential levels of statehood: an efficacious level, during which the state is able to carry out the functions that it claims; a failed state, in which there is little functioning but the state still exists as an international entity; and a weak level, when the state is able to enforce some basic order but is seriously challenged. As a part of the Soviet Union, Nodia argued, Georgia was in the first category. From 1992 to 1993 it was a failed state, and since then it has succeeded in advancing to the status of a weak state. After the coup of 1992, Georgia resembled a failed African state. It lacked a central authority and was controlled by competing warlords. The currency had no international value. But conditions of statehood have greatly improved since then. By 1995, the great majority of the country was under the control of a civilian government that no longer faced a military challenge. Pockets of self-proclaimed states continue to exist. Abkhazia and Ossetia are still outside of state control, and the status of Ajaria is questionable, but the main part of the territory is under Georgian control.

From the outside it may look like Abkhazia and Ossetia are major problems, but situations are external to the main problem of Georgia's attempt to establish a fully functional state. There

is some economic progress; growth has been similar to that of Bosnia or Albania, at about 10 percent per annum. While state functions are adequate to maintaining basic order, the next level of state building continues to stagnate; tax collection and public services are weak. (Georgian taxes compared to the Gross Domestic Product were officially under 10 percent. The government's failure to make its payroll has created a license for bribes, in effect returning Georgia to late feudalism. The IMF has responded by rescinding aid and insisting raising taxes. There is a general feeling that the state has recovered, but is still failing in a very fundamental way. On one hand, Georgians feel that they are not much better off than they were five years ago, but they also believe that two directions are now possible: to fall back to the failed state or to advance to an efficacious state. Nodia is optimistic about the first possibility, but pessimistic about the second.

According to Nodia, Shevarnadze's method of pitting various actors against each other deserves credit for restoring basic order. The Georgian state is likely to survive the departure or death of Shevarnadze, largely because there are no strong enough actors interested in or motivated to destroy the current governmental system. Even unhappy actors still have a chance to win elections now. Perhaps the most destructive agent would be Gamsakhurdia's widow. Abashidze is credible to many, but probably cannot be elected outside the realm of his own fiefdom. He wants to be a kingmaker rather than a king.

But the lack of legitimate incentives and the acceptance of bribery as a normal facet of civil society, make it difficult for Georgia to advance to the next level of stability. Even among young reformers, there is now a conventional wisdom that a corrupt police force is in fact a bulwark for stability.

While 1996 and 1997 were relatively stable years, 1998 has been a test of Georgian statehood. Nodia believes that 1998 reminded us how fragile the state is; but it also indicated that the state no longer regresses so quickly into the failed state mode as it did in 1992-1993.

Geopolitics, Oil and War: Too Little to Warrant International Attention

In 1999 Georgia will be admitted to the European Council, an important recognition of progress in human rights. The CIS convention, however, is continuing to lose significance: along with Uzbekistan, Georgia is refusing to sign a collective security agreement. If this trend continues, the CIS may cease to become relevant. Furthermore, the energy, security and peace-keeping agreements of the GUAM alliance (Georgia, Ukraine, Azerbaijan and Moldova) continue to make Russia uneasy. The pro-Western BISEC alliance initiated by Turkey has not had much significance thus far.

Georgia and Armenia find themselves in different geostrategic camps. Georgia has built its geopolitical base with alliances with pro-Western Azerbaijan, Ukraine, and Turkey. Although Armenia has allied itself with Russia, Georgia has kept its relations with these two countries separate.

In general oil has been a motivating force for regional cooperation, but there need to be other media developed. In April there was an official opening of the flow of Baku oil into Supsa. The Baku-Ceyhan variant was more promising but has recently been losing popularity.

Usually, a strong state will carry out correspondingly solid economic policies. But in Georgia, the state developed first, and the economy has followed. There is rapid growth in the service sector. And some Turkish imports, such as beer and ice cream are being replaced by Georgian products. The effects of corruption on business are unpredictable, but it has been difficult for competition to develop, and there is no government support or promotion of local development.

Help from the outside is not forthcoming. In the Balkans there has been warfare, and that has generated international attention. In Georgia, there is no outright war, but there is no peace. Conditions are not quite bad enough to attract large infusions of foreign aid.

Brighter Sides to Bad Things

Returning to the list of bad things, Nodia tried to deviate from the pessimism of his col-

leagues and reveal the promise of a future Georgian state that some of these events showed.

1. The assassination attempt on the President failed.

2. The Gali conflict did not lead to full-scale war.

The Gali event was perhaps the biggest bad thing of the year. Georgian partisans began terrorist attacks in the breakaway province of Abkhazia in a southern buffer zone and Abkhazian forces retaliated with sweep operations. Six days of fighting left three hundred people dead, and forty thousand Georgians who had returned to their homes after fleeing in 1993 were forced to leave once again. This undermined the Georgian government, believed to have been supporting the partisans, and created an economic and humanitarian disaster. Many of the refugees were taken into Mingrelia, a region that hates Shevarnadze. This may generate problems in the future.

Despite these failures, the government was prudent enough to hold back from reentering war and resisted provocation. Furthermore, the resentment of the government in Mingrelia did not lead to wholesale disruption of the state.

3 The Senaki mutiny failed.

The government also showed restraint in the mutiny at Senaki in Mingrelia, started by Colonel Liava, a former ally of Gamsakhurdia. His small force of less than one hundred hoped to gain popular support, at least in Mingrelia, and to march on Tbilisi, but was easily defeated. This showed the limit to which even the dissatisfied in Georgia are willing to go to in order to effect governmental change through outright revolt.

4. Abkhazian negotiations did actually take place.

This period was followed by an intense round of negotiation attempts between Georgia and Abkhazia from August to October. There was hope that there would be breakthroughs on reentry of refugees and a lifting of sanctions, but these talks failed and no security guarantee was extracted from Abkhazia about the safety of returnees. However, this was the first time that the two sides really negotiated without relying on Russian intervention.

5. Ajarian opposition: political rather than territorial

Although there is still no outright motion for secession (as in Abkhazia and Ossetia) there is a local dictator who has maintained the Soviet-era emphasis on the Georgian Muslim majority in the region. Strange turns have been taken here. Abashidze was expected to take a pro-Turkish stance, but found himself needing to become pro-Russian in order to differ from the prevailing Georgian orientation. This has been problematic with the general retreat of Russia.

Abashidze has built a national constituency or coalition of opposition, based in Batumi. His relations have deteriorated with Shevarnadze over the year, but he has found other allies in Tbilisi. The opposition is mainly leftist, but also nationalist, rightist and far rightist. The conflict has moved from territorial to political; the pro-Western, liberal wing personified by Shevarnadze's coalition versus the leftist, populist opposition headed by Abashidze. The conflict, however, is playing out through electoral rather than military means.

6. Tensions at Javaheti have not increased.

Javaheti is a region in southern Georgia near the Armenian border, populated by ethnic Armenians. There had been fears that this region could turn into another Karabakh. Armenians were not integrated into Georgian society or the economy. Georgian and Russian troop maneuvers of jittered people and Abashidze asked Javaheti to join Ajaria. But fortunately nothing has happened, even though Russians were involved.

7. Relations with Russia: imperfect but quieting?

Although relations with Russia were imperfect—Primakov and Shevarnadze were not allies—Russian troops are moving out of Georgia, primarily on their own initiative.

8. Currency devaluation: not so traumatic

This had been greatly feared for a long time. In December the currency was allowed to float. It plunged some 40-50 percent, and then slowly fell another 20 or 30 percent. Of course nobody is happy about this, but this did not cause an economic or social crisis. Economic growth has actually continued, although at a more modest

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Instructor: Dr. Shorena Kurtsikidze

Georgian Language and Culture

Tuesdays and Thursdays,
3:30 - 5:00 pm

This course is designed for students and postgraduates who are interested in studying the non-Indo-European language of the Caucasus and the traditional cultures and contemporary life of this region.

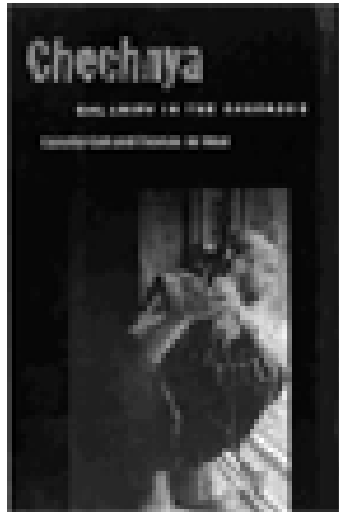
The materials of the course will be the textbook *Georgian Language for English Speakers* and the documentaries about the history and cultural anthropology of Georgians and their neighbors (Abkhaz, Adigeians, Chechens, Ingush, Kabardians, Balkarians, Circassians, Ossetians, Dagestanians, Azeris, Armenians, Kurds, et cetera).

The course is based on widely used methods of oral and situational language teaching, grammar-translation, and audio-lingual methods.

The course instructor holds a Doctorate in Cultural Anthropology from the Academy of Sciences of Georgia and a degree in Simultaneous Interpreting from the Institute of the Foreign Languages and Literatures. her academic interests include ethnic and cross-cultural studies, and she has done extensive field work in the Caucasus and India

The Chechen Calamity

Carlotta Gall



Carlotta Gall has worked for Radio Liberty in Munich, and Central Television and ITN in London. She lived for two years in Pakistan and Afghanistan, and covered the Chechnya conflict for the *Moscow Times* since 1994. She then covered the Caucasus for *The Economist* and *The Financial Times*. She is co-author with Thomas de Waal of *Chechnya: Calamity in the Caucasus* (New York University Press, 1998) She came to speak at Berkeley on February 9, 1999. Summary provided by Serge G l u s h k o f f

After a slide presentation by Heidi Bradman, showing the violence of the twenty-one-month war between the Chechen Republic and the Russian Federation—grim images of the demolition of Grozny, the impoverished citizenry, and the demoralized state of the young Russian recruits—Gall presented her view of the implications of this tragedy.

The War

Gall began by situating the war in Chechen history. Chechnya is a Muslim nation of some one million people living on the southern rim of the Russian and Soviet empires. This culture of clans and warriors has been in conflict with the Russian state for the last two centuries. Imam Shamil, a contemporary hero, fought the Russians in the nineteenth century. In a period of repression after 1944, Stalin sent hundreds of thousands of Chechens to die in Siberia. A greater number were resettled to Kazakhstan—most returned home after Stalin's death. The Chechen response to Russian and Soviet repressions, Gall argued, has been total resistance, rather than hate.

Chechnya grabbed the chance in 1991 to claim independence. It was not until December of 1994 that Russia chose to counter this move, and invaded the capital, Grozny. Central Grozny and the two-kilometer radius surrounding it, were demolished in three weeks. During the invasion, one symbol of the Chechen resistance was a building with an underground barracks: the Russians had to deploy a penetration bomb to reach the underground portion.

Gall pointed out that the level of bombardment of this war is unprecedented in recent conflicts. Fred Cuny noted detonations that reached a rate of four thousand per hour (in contrast to the bombing of Sarajevo at thirty-five hundred detonations per day). For Grozny residents, this meant living in underground shelters for long periods. Mortality levels from this were high: winter dampness and cold wore down health as did the air quality in bunkers heated by burning gas and oil.

Some twenty thousand people died in the Battle of Grozny. Six thousand Russian soldiers died, and one thousand five hundred Russian soldiers were missing in action. While Interior Ministry soldiers were professional, most Russian soldiers were pathetically young and underfed conscripts who did not want to fight. The condition of these troops was a terrible indictment of the Russian leadership: a shocked General Lebed asserted that partisan fighters in World War II were better fed.

According to Gall, Chechen resistance reflected the Chechen attitude and culture. Armed with a special ability to pull back from the conflict and relax to a certain extent, the Chechens could withstand the war.

The Aftermath of Victory?

After an initial euphoria at the conclusion of the war, the government slowly lost control. Although elections were held successfully, lawlessness and kidnapping increased. Russian contributions to rebuilding the country have come only in drips and drabs, some of it in the form of pensions to Russians in Chechnya. There has been absolutely no public reconstruction of Grozny, although there has been a lot of reconstruction of private properties, particularly in the villages. With the help of British aid workers in the north, villages are being de-mined. Gall argued, however, that the fundamental reality remains: the Chechens won the war but have lost the peace. Most of the intelligentsia and the middle class have left, and a deep depression has set in. As the immediate tension of the everyday stress of the war has worn off, sickness has naturally crept back in. There is little employment, and no aid coming in from Russia or the West. Most Chechen businessmen have left a climate in which anyone with any capital is a potential target for kidnapping, which now occurs not only with foreigners but as a weapon in local conflicts and as a punishment for collaboration with the enemy. Since the govern-

ment cannot make its payroll, all services have come to be privately paid for, including schools and hospitals. There is a de facto independence and a semblance of a functional government with a parliament, police force, and security force, and Russians are completely gone from control. But the Chechen people have lost and suffered, and international coverage of their predicament has disappeared.

Regional Implications

According to Gall, this war has been a calamity not only for Chechnya but also for the entire northern Caucasus, Russia, and any foreigners in the area. The rise of kidnapping is a threat to regions to the south, with incidents associated with Chechens occurring in both Dagestan and Tbilisi. Foreigners are now discouraged from entering Ingushetia and even Dagestan. The prospect of war is also spreading to Dagestan and maybe to Ingushetia. Shamil Basayev wants Russia out of these areas, through peaceful means. (He is a revolutionary who cares about civilians but is prepared to see some die if necessary.) The Wahabee movement is present in the northern Caucasus, largely in Georgia and Azerbaijan.

Continued on next page

Ghia Nodia continued

rate. It was not as bad as in Russia, or as bad as it could have been. There are some signals that the IMF might return.

9. Election results: democratically anti-democratic

These were largely won by leftist populists, who are not really champions of democracy, reform, market economics, or human rights. They are from the coalition centered in Batumi, which runs the Tbilisi City Council (its chairman goes to Batumi every weekend to get his orders). These victories are not particularly good news. But the elections were relatively free and fair, and the parties have begun to learn how to wage political debate and opposition. The vote also showed an indication of democracy: the government party

can actually lose through a non-violent process. This might actually reduce the chances that Shevarnadze be assassinated in the near future, as the opposition realizes that it might be easier to win an election.

10. The growth of public cynicism: matched by growth of civil society?

Its hard to find the bright side of this topic. But society is becoming more active. In 1998 the Minister of Police complained publicly that the police was being intimidated by the media and NGOs. They had to conclude that journalists should not be beaten up. This is at least a small step in the development of a civil society.

Here, it is driven by a mixture of Islamic fundamentalism and opposition to Moscow and the pro-Moscow leadership of Dagestan. It is not far removed from organized crime and the movement of weapons. These circumstances have led to a cautiousness on investment and trade for the area—although agreements on the movement of oil through Chechnya were actually signed during the war.

Russia and the outside world

There is sympathy for Chechnya within the leaderships of Georgia and Azerbaijan, but they have provided no financial aid to back up their sentiments. Russia could provide aid if it wanted to, and there is no shortage of infrastructure that needs to be rebuilt. If left ignored by Russia and the West, Gall warned, the shell of Chechnya will continue to become a more dangerous and alienated place. The relationship with the West is particularly important. Maskhadov actively sought to attract British interest, (there has even been talk of Chechnya being a NATO ally) but has been basically spurned. Chechnya's image has been badly damaged by the kidnapping (and execution) of Western aid workers, and the government's inability to control this form of lawlessness. The West has perpetuated this cycle by not bothering to try to engage Chechnya. The danger is that an alienated Chechnya may develop into a rogue state harboring radical Islamist movements such as the Wahabees or followers of Osamu Bin-Laden. Chechnya has only had foreign relations with Soviet Russia and the Russian Federation; there has been little chance for it to build a natural relationship with the West and Western indifference to the Chechen plight has led even moderate leaders such as Maskhadov to question the West's usefulness to Chechnya's future.

Gall characterized Russia's attitude towards Chechnya as dangerously indifferent. The prospects for any reasonable attitude to develop here, she argued, are less and less likely. Primakov has been a moderate in this regard who appears to believe in cooperation, but this has not manifested in any concrete measures. Although the Russians have acted in Dagestan, in Chechnya they not only stand back from taking any positive action to ensure stabilization, they are in fact al-

lowing Interior Ministry meddling in Chechen affairs.

The political will to proceed with an official settlement between Russia and Chechnya appears to have faded, according to Gall. Perhaps Yeltsin was the only one who could have done it at the time, but the process was derailed rather early on. And although Luzhkov and Lebed are both potentially friends of Chechnya, open to making an agreement, there is little political incentive for them to follow through.

The constitutional process for Russia to allow Chechnya to leave appears to be too cumbersome to generate serious consideration: it would require a constitutional convention and will be basically ignored. And for Chechens, too, the issue of the exact definition of Chechen independence is no longer as universal and immediate as it was immediately after the war. There are conflicting opinions about how necessary it is to extract an official recognition from Russia.

Islam and State-Building

There are a number of potential leaders in Chechnya that the outside world and the Russian Federation deals with or is aware of. Maskhadov, who is perhaps one of the most approachable leaders for the West, has been hampered until recently by the dangerous affiliations of his vice-president Arsanov, elected simultaneously. His stance is generally more pro-West than that of other leaders such as Arhibarayev or Yanderbiev, who advocate the creation of an Islamic state. Yanderbiev is the former president and academic who is now obsessed with Wahabism.

Maskhadov's recent move to invoke Sharia law is probably more a matter of political necessity and bowing to pressure than sincere belief in religion as a basis for state building. Maskhadov has always claimed that Chechen institutions have been primarily influenced by Soviet rather than Islamic traditions; their police are former *Gai*, and security forces former KGB. At the same time, he is forced to accept the presence of Wahabism in the country. The Chechens are sure enough of themselves to allow this element to grow; unlike in Afghanistan, in which there was a reaction against fundamentalism. Maskhadov is going along with the Wahabees for now, but this is a

temporary situation. Nevertheless, most leaders appear to have had the same vision of winning the war, and then establishing a military council with an Islamic frame of reference to help them establish order in the new state.

The attraction to the notion of an Islamic state, Gall argued, may not bode well for the preservation of the strong, rich Chechen tradition. There appears to be some sense of shame about the distance that has developed between Chechnya and Islam in the last century, which may confuse the Chechens new sense of identity. Certain aspects of Chechen tradition, such as the traditional *ziker* dance, are being disparaged by the Islamic fundamentalists.

Always stable: oil

The Baku-Grozny-Novorossisk pipeline is the country's main source of revenue, and even during the war the line was never bombed. The security of the pipeline appears (most of the pipeline

is underground and therefore not easy to damage). Not even the Wahabees appear to object to the presence of the pipeline. The flow is occasionally stopped when the Russians do not pay, but otherwise the system works reasonably well. The situation is characterized by the presence of a Chechen pipeline manager of what is now Transneft; he is loyal to the Chechen cause but a Russian citizen and resident of Moscow. Russians have sent workers to the pipeline for repairs, and Chechen security forces have guarded them. Although there is no plan to expand any of the facilities, collaboration on the pipeline appears to be the only issue that both states can see eye to eye on. The government collects all of the tariffs for the pipeline oil. Chechnya also extracts and refines its own oil. Although the informal refineries have basically been wiped out by the government, and although the government collects all the tariffs for pipeline oil, it does not have complete control of its national product.

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The Caspian Sea – Where Foreign Policy and Business Interests Intersect

Richard Morningstar

Ambassador Richard Morningstar is special advisor to the President and the Secretary of State for Caspian Basin energy diplomacy. Before taking this position in July 1998, he served as special advisor to the President and Secretary of State on U.S. technical assistance to the NIS. On January 25, 1999, he spoke at UC Berkeley's Goldman School of Public Policy. His presentation has been summarized below by Alexandra Patten.

U.S. policy towards the Caspian Sea basin revolves around the new states that border the Caspian—Azerbaijan, Russia, Kazakhstan, and Turkmenistan—as well as Uzbekistan, Armenia, Georgia, and Turkey. During the Soviet period, Moscow treated the states of this region as colonies; they provided raw materials and served as a manufacturing base for the rest of the country. Upon the breakup of the Soviet Union, these new countries were left with a legacy of economic neglect, disastrous environmental degradation, and endemic corruption, but also with tremendous potential and natural resources. If developed correctly, these countries can achieve integration, democracy, and economic prosperity. Otherwise, difficulties and potential conflicts could bring serious problems.

Ambassador Morningstar stated that the United States supports five different pipelines for bringing Caspian oil and gas to the international marketplace: two for early oil, and three major or mature oil or gas routes. The first early-oil route runs north from Baku through Chechnya to Novorossiisk (the red line on the accompanying map). It is currently open and running. The second early-oil line runs from Baku to the Black Sea port of Supsa, just north of Poti. It will open in April 1999. The three major pipelines that have U.S. backing are: (1) the Caspian Pipeline Consortium (CPC) line running from Kazakhstan to Tikhoretsk, then on to Novorossiisk in Russia (the blue line on the map); (2) the trans-Caspian gas line originating in Turkmenistan, traversing the Caspian Sea and continuing on through Azerbaijan and Georgia to the Turkish port of

Ceyhan; (3) and a second oil pipeline from Baku to Ceyhan.

Why do we care about the different pipelines for Caspian oil and gas? Ambassador Morningstar explained that there are four U.S. foreign policy objectives in the region, involving the exploitation and development of energy resources:

- (1) To support these countries' use of economic resources at their command to ensure sovereignty and independence and to promote stable, market-oriented democracies. In this regard, Turkey is particularly important, as it is the only major country in the region that most of the new countries of the Caspian believe they can trust. Turkey has strong cultural, historical, and economic ties with many of the Caspian littoral states, ties that all sides want to maintain.
- (2) To help ensure, indirectly, the energy security of the United States, as well as the energy independence of the region. It is critical that resources get to the global marketplace without interference. This is the rationale behind current U.S. policy towards Iranian involvement in Caspian energy development. Iran, as an energy-producing state with a well-developed oil industry, is a direct competitor to these newly independent nations. No one wants the resources of the Caspian to become entangled with an unreliable country that is also a producer and exporter of energy resources.

- (3) To ensure that development of economic resources and prosperity mitigates ethnic conflicts in the region. In the past year, we have seen some positive changes in Armenia in terms of that country's willingness to reach out to its neighbors and become less isolationist.
- (4) To enhance commercial opportunities, principally for U.S. companies, but also for corporations from other democratic nations worldwide.

How do these objectives relate to U.S. pipeline policy?

Regarding the CPC pipeline, there was much progress in late 1998. Russia approved construction permits for the portion of the pipeline to extend across its territory, and Morningstar noted that this was a critical point in Russian policy towards the pipeline and the consortium. The United States wants to cooperate with Russia, and Morningstar emphasized that there is no reason to view this as anything other than a win-win situation for both the United States and Russia. For example, LukOil will build the Ceyhan line, and once the line is completed, Russia will be able to bring Siberian oil through to Ceyhan for a much lower cost than through their current outlets to the West. Morningstar believes that even though the Russians see the United States as intruders in regional oil markets, it is important to keep trying to cooperate.

Similarly, with respect to the Trans-Caspian gas line, much progress has been made

in 1998 and early 1999. Morningstar stated that he expected an announcement of a consortium with Turkmenistan by early February 1999. Although Turkmenistan has the infrastructure to support gas exports, currently Russia and Iran are not reliable routes in the long run is how for getting the massive natural gas reserves out of the country. This export problem is compounded by the fact that Turkmenistan has no real revenue yet. Another issue complicating matters is the current Caspian Sea boundary dispute between Turkmenistan and Azerbaijan.

One alternative to going through Iran or

Russia to export Turkmenistan's natural gas would be to build a pipeline running under the Black Sea to Turkey. Why should the United States care where the pipeline goes and whether Turkmenistan succeeds in exporting its gas reserves? Because, Morningstar explained, a Turkmen economic implosion would have a domino effect on the country's neighbors, a fact which the Azerbaijani president,

Haidar Aliev, is well aware of, and this is one of the major reasons why he supports this pipeline route.

The United States is taking a two-fold approach to encourage adoption of the Baku-Ceyhan pipeline route. The first is to make the oil companies aware of political considerations. Turkey will never accept a major Baku pipeline that sends oil through the Bosphorus Straits, for environmental



Marina Kurkchian is a Fulbright Scholar at the University of Michigan, Ann Arbor. Last year she was a Charter Fellow in the Humanities and Social Sciences at Oxford, where her field of specialty was the political and social affairs of the C a u c a s u s . D r . Kurkchian plans to return to Oxford for the 1999-2000 academic year. She defended her dissertation on "The Subjective Perceptions of Standards of Living" in Lithuania, and received her Ph.D. in 1988 from Yerevan State University. Dr. Kurkchian also received specialist training in social theory and international relations at the London School of Economics, Department of Social Policy and Administration. She is the author of numerous publications in English, Russian, and Armenian. Her work in English includes a recent piece entitled "Health Care in Armenia: The Human Cost of the Transition, " prepared for the Royal Institute on International Affairs. On March 11, 1999, Dr. Kurkchian shared her research on institutional transformation in Armenia with an audience at U.C. Berkeley.

Public Health and Social Policy in Armenia

Marina Kurkchian

Let me start by explaining what I am interested in, because I would not present myself as a sociologist of health. Instead, I am interested in health as one of many examples of social institutions. I am looking at the patterns of transformation in social institutions, in an attempt to identify the differences and similarities in various countries.

I want to underline that I am using the terminology of transformation, not transition. Transition implies that there is a move from point A to point B, from centralized to decentralized, or from planned to market. Rather, we are looking at a movement from point A to...we do not know where. In the development studies literature, I was struck by how the same logic of a simple transition was applied to the decolonized countries after the Second World War. There was a general expectation that the decolonized countries only needed a slight push or some money to successfully transition to "modernization," which nowadays has become a push towards "marketization." In the second stage of development studies, dependency theory, there was a growing realization that there are different patterns of relations in each culture. Therefore, it is critical to consider each country as a case study. Of course, after considering various case studies, we must conduct comparative work to understand the differences between cases; in other words, we need to understand what comes from post-Soviet, cultural, or international influences.

When I refer to general patterns of change in Armenia, I am speaking about changes within social institutions. The first general pattern seems to be one of disintegration, which is very different from decentralization. Decentralization means that there is a policy leading away from a centralized model. In Armenia,

there has been spontaneous and uncontrolled disintegration in the institutions, with policy changes occurring after the fact. The second pattern is a clear shift to the second economy, or informal economy, which is distanced from government regulation. The third pattern is deinstitutionalization, a shift from formal institutions to households. Households today perform many of the same functions that we usually expect from formal institutions. Moreover, these patterns have achieved an equilibrium, a relatively stable condition. There is not much interest in changing the patterns of health care which have developed.

My case study is based upon research conducted in January 1997, sponsored by the United Nations Development Programme (UNDP). We visited and sampled 45 hospitals in Armenia, including 42 primary care units. Research teams visited these institutions and performed different functions. Some teams conducted in-depth and formal interviews, while other teams collected data on patients in the hospitals. The teams conducted 750 interviews with former medical staff and 302 interviews with former patients. This UNDP-sponsored undertaking was a major research project utilizing a combination of quantitative and qualitative methodology.

Concerning health care in post-Soviet society, there is a noticeable lack of interest from Western countries. Perhaps this is because health services in the Soviet Union were not all that bad. The transformation of

post-Soviet society was always more about politics and economics than it was about social transformation. After the Second World War, the Soviet Union had very impressive achievements in health care, but then it entered a period of stagnation, before starting to improve again in the Gorbachev era. In any case, there was no expectation that health services was an area requiring immediate change. Furthermore, it was not clear to anyone what should be done. There was no pressure to change anything in the health services sector, neither locally, nor from the West.

Our research indicates that institutions have started to run without any government involvement. The government does not mind, for it does not want to admit that the majority of the population has no access to health care. A populist debate occurred regarding health institutions, but no real policy. Health care during the Soviet period was very centralized, with village units controlled regionally, and regional units controlled by units in the capital cities. However, with disintegration in each region, institutions began to do their own thing. Each unit began to develop its own policy of survival.

First, the chief doctor became the main figure in each unit. The chief doctor within each institution has total power, for he can appoint whomever he wants and change the rules to suit his purposes. The success of each institution now depends upon the personality of the chief doctor, and upon his ability to network. His ability to network allows him

Continued on next page

Richard Morningstar continued

and safety reasons as well as political ones. The United States wants to keep Turkey happy, and so do Azerbaijan and Georgia. U.S. policymakers are also working to convince oil companies that relations between Azerbaijan, Georgia, and Turkey are so important—for the reasons mentioned earlier (economic, political ties)—that neither Azerbaijan nor Georgia will act against Turkey's refusal to accept an oil export route that utilizes shipping routes through the Bosphorus (which is what an alternative route from Baku to the Georgian port of Supsa, and then out to the West via

tanker through the Bosphorus, would entail).

The second prong of U.S. policy is to use cost arguments to convince these countries of the commercial advantages of this route. A comparison to the Baku-Supsa line in this regard is irrelevant if Supsa is not viable politically. Morningstar argued that Turkey would probably agree to pay cost overruns under certain conditions. Host government agreements over the pipeline are close to completion, and should be wrapped up in February 1999. Financing issues

Continued on back page

to pool resources from government and ministries, obtain financing through commercial activities, and acquire medicine from abroad or through contacts with foreign providers. Second, there has been a rapid specialization of different departments. For example, surgery departments are doing much better than chronic illness. Because health care is increasingly used by people requiring urgent care, more resources are allocated to certain departments. Third, location has become key. In the Soviet period, towns were consistently prioritized over the villages, and people in rural areas lacked highly qualified professionals. In the current transformation, village units are often unable to function at all. There are strikingly different conditions in capital cities, towns, and villages.

These are the three main factors which determine if each unit survives – who the chief doctor is, type of department, and location. In one hospital, the entire administration was occupied by relatives of the chief doctor. When we asked how this was possible and why, the chief doctor was not embarrassed at all. He said he needed people he could trust. In high-risk situations, people often look to family and informal ties as a replacement for guarantees of law. We met another chief doctor who resembled an emperor. He said he was very happy with the transformation, because he can now do whatever he wants.

I will now discuss how various health care units are financed. The amount of income from the government is very small, and does not even cover official salaries or basic necessities like electricity and heat. International humanitarian aid is quite essential and comes mainly in the form of medical drugs, covering about 30 percent of the total need. Humanitarian aid is still not the main source of income for the functioning of institutions, but it plays a symbolic role for the government since it is received through the government. Foreign links were established as a result of Armenia's earthquake in 1988, and medical assistance has continued in the form of Italian and Norwegian hospitals, which still function. Non-medical business opera-

tions are considered important, although there is little tangible success since the market for services is not very developed. All of the units try to find ways to provide services, such as cars, laundry services, or shops within the hospitals. Local sponsorship for these business ventures seems to be crucial, but it is a very vague concept. We heard about "my friends' help" from several chief doctors, but it seemed to mean something different for various people. Some chief doctors had their own businesses, such as one chief doctor who owned two petrol stations, using this outside income to support his hospital.

Clearly, fees from patients serve as the main source of income for provision of medical services. When considering patient fees, we must pay attention to the two separate parts of the economy: hard currency and local currency. Access to hard currency, whether in the form of income from abroad or from foreign projects, is critical since it determines if patients can afford to pay fees. The local currency economy includes salaries received on a local scale. To illustrate this difference, consider that the average chief doctor's local salary was about sixteen or seventeen dollars per month, while patients paid an average of one hundred dollars for an operation of average complexity. Patients have to pay for services, and they have to pay for everything, including food and medicine. The Soviet system did not avoid this second economy, but it was more affordable for people in the Soviet period. Besides, it was not really compulsory, and people generally paid for labor while drugs and medicine were available free of charge.

Now, the main problem is that the prices that patients have to pay are not fixed. Instead, people negotiate informal contracts with the chief doctor. How do people work out how much they should pay? When asked how people decide upon the prices for health care services, our research revealed the following: although fixed prices still exist in 9 percent of cases, roughly 25 percent of patients decide themselves, 20 percent ask other patients, and the remaining proportion of

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State Building and the Reconstruction of Shattered Societies

1999

Conference Report

Stephanie Platz, Alex Manoogian
Assistant Professor of Modern Armenian History, University of Michigan: “Society, Nation, State: Ethnographic Perspectives on Transcaucasia.”

Vladimir Degoev, Visiting Scholar, UC Berkeley Center for Slavic and East European Studies and Professor of History, North Ossetian State University, Russian Federation: “The Challenge of the Caucasus to Russian Statehood: The Legacy of History.”

Sergei Arutiunov, Visiting Professor, UC Berkeley Department of Anthropology and Chair of the Department of Caucasus Studies, Institute of Ethnology and Anthropology, Moscow: “Tradition and Prosperity in the Caucasus: Are They in Conflict?”

Bart Kaminsky, The World Bank: “Economic Transitions in the Transcaucasus: Institutions, Performance, Prospects.”

Leila Alieva, Visiting Scholar, UC Berkeley Program in Soviet and Post-Soviet Studies and National Coordinator, United Nations Human Development Report, Baku, Azerbaijan: “International factors and domestic politics in the Transcaucasus.”

Stephan Astourian, William Saroyan Visiting Professor in Armenian Studies, UC Berkeley: “Transcaucasian Nationalisms: Some Comments.”

Charles Fairbanks, Director, Central Asian Institute, The Paul Nitze School for Advanced International Studies, Johns Hopkins University: “The Weak State: Public and Private Armies in the Caucasus.”

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patients are told the correct price by doctors and nurses.

Our most interesting finding was that some very poor patients are able to obtain medical services without paying. Doctors themselves decide who has to pay, and who does not. Through a system of redistribution, they also decide which patients have to pay more than others. Because the market for procuring services is informal, the poor gain some access to medical services.

We also developed sample budgets for how much people paid for medical services depending upon if they lived in Yerevan, in small towns, or in villages. In all cases, the prices for Yerevan patients were much higher than fees elsewhere. There was also an informal system of tax collection. Taxes might go to the chief doctor, or they could stay within a particular department. For example, surgery departments had money and were very well-organized, whereas the chronic illness departments right next door were often in awful condition.

Health institutions operate within a kind of market system, and they did so even before government reforms. In March 1997, the government introduced reforms which allowed each unit to operate as a commercial, private institution. However, the reforms merely legitimized an already existing situation. While there is no competition between good and bad doctors, there is certainly competition between patients who can pay and those who cannot pay. There is also competition between professionals and non-professionals. Nurses have started to provide the services of doctors because their lower-priced services are in demand. All of these factors have destroyed any hope Armenians might have had that free market competition would solve all problems.

Surprisingly, the current state of health care in Armenia seems to satisfy almost everyone involved in the game. It satisfies the government, because they do not know what to do about health care. Medical staff are satisfied because they can collect more money. If there were established prices and more regulation, they would earn less. Fi-

nally, many patients benefited from the increased flexibility this system allowed, especially poorer patients. Because of this general level of satisfaction, there is no new interest in changing this pattern of relations in health care.

One would expect that the results of this health system are terrible. Nevertheless, the government statistics collected by the World Health Organization (WHO) reveal that some areas of health care may have improved slightly. There is significant improvement in infant mortality (per 1000 births), from 24.8 in 1985 to 15.5 in 1996. Considering the years when hospitals operated without electricity or heat, it is impossible to see how these indicators could have improved. In addition, it is counter-intuitive that falling income could produce improved health indicators. Because WHO statistics contradicted our expectations regarding income and health care, our research team first thought that these statistics were fake. My reaction was that this is just impossible, and I still believe that these statistics cannot accurately reflect Armenian reality. But when I analyzed the literature in other countries, I noticed that there is a pattern whereby the real status of health is often higher than one would expect from what seems to be going on. But how? World Bank analyses suggest that southern post-Soviet countries have a slightly higher state of health care than northern countries.

I will suggest a number of hypotheses to explain this unusual phenomenon of why the level of health care may be higher than one might expect. First, a system of mutual support exists in Armenia, one of the remnants of Soviet reality. This should not be confused with Western charity, which is charity through an institutional arrangement. The Soviet way of mutual support was one of exchange. Since the state took care of everything, people did not feel obliged to help others. They instead developed a mutual exchange support reality, which also worked in post-Soviet society. In terms of how people were able to afford hospital treatment, 34 percent borrowed money, and 22 percent got help from family and friends. Second, a rela-

tively higher level of education in Armenia worked as a shock absorber for the crisis. Third, people drew upon their experiences of dealing with health services in the Soviet period. For instance, there was always a custom of checking on the reputation of doctors through family and friends, and this habit assists patients in post-Soviet Armenia.

In summary, though I am still skeptical of these statistics, there may be some evidence to believe that there has been a lesser deterioration in health care relative to other low-income countries. Other results from our re-

search support the idea that 'health' is a social construct. Because access to health institutions is restricted, people have begun to redefine what health means. There has been a psychological shift, for if people are surviving, in many cases they then assume that they are healthy. Our results reveal a mixed picture of health care in Armenia. It is an unstable situation in which so much depends upon the chief doctor. Yet more poor are gaining access to health services due to a lack of government regulation and real market prices.

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Grassroots Politics in the CIS: Citizens, Local Power, and Local Elections in Georgia

Alexander Kukhianidze

Alexander Kukhianidze

is Associate Professor of Political Science at Tbilisi State University. He spent the 1998-1999 academic year as a Fulbright Scholar at Mt. Holyoke College in Massachusetts. Professor Kukhianidze is also the Chief Editor of *Caucasian Regional Studies*, online at <http://poli.vub.ac.be/publi/crs/>. He spoke at UC Berkeley on February 1, 1999. The following is a summary of his talk prepared by Alexandra Patten.

Professor Kukhianidze began his talk by noting that in most stable countries, people at the grassroots level wield considerable political power. In the United States, political power forms a triangle, with a broad base that is cornered by strong grassroots democracy and a market economy. In the Soviet Union, on the other hand, power was concentrated in the hands of the General Secretary and Politburo, and people at the grass roots level had very little say in what happened politically or economically. The Soviet political and economic systems thus formed an inverted triangle, with society and economy entirely dependent on the whims of the all-powerful leadership. *Glasnost'* and *perestroika* led to the collapse of the Soviet Union because the reforms launched from above were rapid and disruptive, and there was little effort to develop a strong grassroots-level democracy and a free market. Gorbachev's top-down attempt to reform the system is blamed for today's poor living conditions. It led to a post-Soviet reality of unemployment and poverty for the masses, fantastic wealth for the very few, the marginalization of society, the criminalization of the economy, and wars between states and ethnic groups.

In contrast, China's experience shows that it is possible for an illiberal society to create a strong market-type economy at the grassroots level without tearing the country apart. In China, gradual economic reforms based on Lenin's New Economic Policy (NEP) but with Chinese characteristics have led to a firmer foundation for a market-type economy, in turn leading to gradual personal freedoms. More people have benefited economically, while poverty and the marginalization of society have been kept to a minimum. As a result, in authoritarian China, most people support reform, whereas ninety percent of Georgians oppose further democratization because living conditions are so bad.

The more turbulent the transition is, the longer a country will take to establish a market economy and grassroots democracy. Georgia and Azerbaijan have both experienced massive economic and political turmoil in the wake of the Soviet Union's demise. And in each country, there is still a single, all-powerful leader without a critical mass of influential grassroots organizations. Georgia has a constitution, an elected parliament and president, and a multiparty system. In Tbilisi, at least, there is an independent press and people can freely express their opinions without fear of reprisal. Nevertheless, Tbilisi is a relatively small zone of democratization within a country that remains essentially feudal in its social organization.

Georgia is divided into several political regions, each of which is run by a governor (the *gamgebeli*) appointed by Shevardnadze. The same is true of heads of local governments and cities. The exceptions, of course, are Abkhazia and South Ossetia. The 1995 Georgian constitution pro-

vides that territorial arrangements currently in dispute will be resolved once the political conflicts over Abkhazia and South Ossetia are resolved. Although the constitution states that there should be local self-government, it says nothing about the election or appointment of regional or local officials. However, a 1997 law on local self-government specifies that Shevardnadze can continue to appoint regional governors and local officials. Although the minority opposition in parliament and some independent non-governmental organizations have pushed for elections at the regional and local levels, so far they have not been able to overcome the majority of parliamentarians who support Shevardnadze.

Kukhianidze turned next to a discussion of non-governmental organizations (NGOs) in Georgia. One area of success is election monitoring. The International Society for Fair Elections and Democracy (ISFED), created in 1995, was the first Georgian NGO to monitor elections and the political elite's activities. ISFED organized a "Dialogue with Power" to monitor local politicians and to bring local citizens face-to-face with their "elected" officials. While members of parliament are becoming more accountable to the general public, local and regional officials maintain that because the president appoints them, they are accountable only to the president. In response, ISFED created a newspaper, *Civil Society*, as a vehicle to pressure local officials to be more open about their political activities. The newspaper accomplishes this by publishing information on the activities of local officials. The newspaper is widely distributed in Georgia's regions, and a copy is sent to the president's office as well as to each Member of Parliament.

Kukhianidze noted that in the spring of 1998, a proposal was put forward in parliament to coordinate NGO activity. The NGOs resisted, however, which prompted the government to form a Consultative Council on NGOs. Fortunately, the Consultative Council does not try to regulate NGO activity. In terms of grassroots organization and mobilization, then, Georgia is making progress. Government representatives are at least listening to the concerns of NGOs, particularly in regard to efforts by local officials to pressure or even intimidate them. However, corruption is still widespread, and NGOs that attempt to expose it

are often the victims of official acts of intimidation. This is in turn leading to renewed calls for representative elections at the regional and local level. Shevardnadze has agreed to regional and local elections, but not until 2001. As a shrewd politician, Shevardnadze knows that presidential elections are scheduled for 2000, and he is still dependent on his appointed officials for his power base.

Are Shevardnadze and his political party, the Citizens Union of Georgia (CUG), still popular and powerful in Georgia? Kukhianidze noted that Shevardnadze's political party lost support during the last elections because of corrupt officials. Georgia also has problems with its national minorities, which were alarmed when a polling station in a predominantly Azeri village was broken into and ballots were stolen. Voting was eliminated in the village, and two weeks later the CUG falsified election votes in there. The rest of the region did not vote for the CUG, so it was obviously anomalous that the CUG won in that particular village.

The 1995 presidential elections were also marred by fraud. The situation improved somewhat in the June 1998 parliamentary elections, in which the CUG only won by a slight margin. In November 1998, the first local council elections were held in villages across the country. Election results showed the CUG losing to the leftists—a big surprise—in spite of voting falsification by the CUG. As a result, the heads of city councils in several major cities are from the opposition Labor Party, not the CUG. There are now fewer officials who are accountable only to the president, and the balance of power between the main party and the opposition parties is more equal. But the narrow, economic interests of people who want to be in power because it allows them to make money are behind the creation of these political parties, and local businessmen must still pay off government officials to operate. For many politicians, access to power still means access to coercion and graft.

When people began creating the "Citizens Advisory Committees," there were discussions about whether to establish them as independent NGOs or governmental bodies. The latter option, Kukhianidze argued, is dangerous because

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Ambassador Richard Morningstar continued

are also being resolved, and should be completed by May 1999. Remaining issues to be resolved include volume and pricing controls, but as the pipelines will not be finished for another five to six years, there is still some time to reach agreements on these remaining issues.

Alexander Kukhianidze continued

Shevardnadze appoints local governors, and in most cases these local governors are corrupt. Nepotism is still widely used to fill governmental posts. Because of this, it was agreed that they would be established as independent NGOs, at least until a new and less corrupt political elite emerges.

To close his talk, Kukhianidze likened the present state of grassroots democratic development in Georgia to a game of cat and mouse, where the regional governors are the cats chasing and intimidating the NGO mice. However, the mice are finally beginning to evade the cat's claws and teeth, and even gain some victories of their own in the battle to establish a stronger and more representative democratic system in Georgia.