

Business & Politics in the Muslim World
News Monitoring
June 11 to 17, 2010
Weekly Report
Central Asia
Uzma Siraj

Azerbaijan	
Political Front.....	4
Geo strategic Front.....	4
Economic/Energy Front.....	4
Social Front.....	5
Kazakhstan	
Political Front.....	5
Geo strategic Front.....	5
Economic/Energy Front.....	5
Social Front.....	5
Kyrgyzstan	
Political Front.....	6
Geo strategic Front.....	6
Economic/Energy Front.....	7
Social Front.....	7
Tajikistan	
Political Front.....	8
Geo strategic Front.....	8
Economic/Energy Front.....	8
Social Front.....	8
Turkmenistan	
Political Front.....	9
Geo strategic Front.....	9
Economic/Energy Front.....	9
Social Front.....	10
Uzbekistan	
Political Front.....	10
Geo strategic Front.....	10
Economic/Energy Front.....	10
Social Front.....	11

Outline

Azerbaijan

Political Front

- Flooded Azerbaijani Villagers Want Dam Dismantled

Geo strategic Front

- British Group To Expand Nagorno-Karabakh Demining
- U.S. Reaches Out To Azerbaijan
- OSCE to monitor line of contact between Armenian and Azerbaijani troops

- Azerbaijani defense minister meets NATO chief special envoy in Baku
- Azerbaijani and Russian border guards conduct joint exercises in the Caspian Sea

Economic/Energy Front

- Ukraine set to buy Azerbaijani natural gas
- Azerbaijan, China discuss prospects for cooperation

Social Front

Kazakhstan

Political Front

- Kazakh President's Son-In-Law Wins Court Case
- Kazakh State Media Publishes Law Proclaiming Nazarbaev 'Leader Of The Nation'

Geo strategic Front

- Moscow and Astana plan to sign agreements on cooperation in space and nuclear energy

Economic/Energy Front

- Iran and Kazakhstan open direct air flight
- Kazakh uranium drive sheds Soviet nuclear legacy
- Kazakhstan, China Sign Gas, Nuclear Energy Deals

Social Front

- Residents Flee Floods In Southern Kazakhstan

Kyrgyzstan

Political Front

- Breaking Kyrgyzstan's Cycle Of Violence
- Ex-Kyrgyz Leader Denies Role In Unrest
- Kyrgyzstan Mobilizes Troops As Violence Spreads In Southern Cities
- Situation Remains Tense In Kyrgyzstan's South As Death Toll Reaches 124
- Ferghana Valley: A Tinderbox For Violence
- Ex-Russian Foreign Minister Says CSTO Should Intervene In Kyrgyzstan .
- Bakiev's Son Being Held In Britain, Kyrgyz Officials Say

Geo strategic Front

- UN Urges Kyrgyz Government To Act Decisively Amid Turmoil
- Pakistani Students Flee Osh; Turkmen Await Assistance
- Belarus Refuses To Extradite Former Kyrgyz President
- Dushanbe Rejects Reports Tajiks Involved In Kyrgyz Unrest
- EU Expresses 'Great Concerns' Over Kyrgyz Violence, Pledges Aid
- Sphere Of Reluctance: Russia Hesitant About Kyrgyz Intervention
- Russian-Led Security Group Says No Peacekeepers For Kyrgyzstan .
- Tajikistan Asks Kyrgyz Officials To Explain 'Tajik Involvement' In Unrest

Economic/Energy Front

Social Front

- Pakistani Student Killed In Kyrgyzstan
- Premier English Soccer Club Denies Links To Maksim Bakiev
- More Than Half Of Osh Citizens Have Left The City

- Ethnic Tatars, Bashkirs Want To Leave Osh

Tajikistan

Political Front

Geo strategic Front

- Tajikistan Asks Kyrgyz Officials To Explain 'Tajik Involvement' In Unrest
- Emomali Rahmon heads to China
- Rahmon, Medvedev agree to meet in Sochi
- Emomali Rahmon heads to China
- Uzbekistan Wants To Close Rail Link To Tajikistan

Economic/Energy Front

Social Front

- Tajikistan Sends Humanitarian Aid To Kyrgyzstan

Turkmenistan

Political Front

Geo strategic Front

- U.S. Official Notes 'Some' Rights Progress In Turkmenistan
- Turkmenistan, United States begin bilateral political consultations
- President of Turkmenistan attends SCO summit in Tashkent
- Turkmen, Chinese leaders hold talks in Tashkent

Economic/Energy Front

- First American Business Mission To Turkmenistan Begins
- Ashgabat hosts Turkmen-American Business Forum
- Turkmenistan and Iran sign agreement for additional gas supplies
- President of Turkmenistan receives heads of major U.S. companies
- Turkmenistan discovers new natural gas field - Aigary

Social Front

Uzbekistan

Political Front

- The Demise Of Uzbekistan's Cash Cow Zeromax

Geo strategic Front

- Iran Threatens Uzbekistan Over Tajik Rail Problems
- Uzbekistan Wants To Close Rail Link To Tajikistan
- President of Uzbekistan holds telephone conversation with US State Secretary
- President of Uzbekistan holds telephone conversation with UN Secretary General
- President Islam Karimov holds bilateral talks
- Cooperation aimed at bolstering peace and security

Economic/Energy Front

Social Front

Summery

Azerbaijan

Political Front

- Flooded Azerbaijani Villagers Want Dam Dismantled

BAKU -- Residents of villages in central Azerbaijan still flooded from last month's heavy rains are seeking greater help from the government to lower the water level, RFE/RL's Azerbaijani Service reports.

Geo strategic Front

- British Group To Expand Nagorno-Karabakh Demining

STEPANAKERT, Nagorno-Karabakh -- A British humanitarian organization says it has cleared land mines and unexploded ordnance from the bulk of Nagorno-Karabakh's war-affected territory and will soon begin demining Armenian-controlled areas outside the disputed region, RFE/RL's Armenian Service reports.

- U.S. Reaches Out To Azerbaijan

Azerbaijani President Ilham Aliyev (right) meets with U.S. Defense Secretary Robert Gates in Baku on June 6.

- OSCE to monitor line of contact between Armenian and Azerbaijani troops

The OSCE will monitor the line of contact between Armenian and Azerbaijani troops. According to the mandate of the Personal Representative of the OSCE chairman-in-office, the contact line between Armenian and Azerbaijani troops near the village of Ashagi Buzgov in Babek region of the Nakhichevan Autonomous Republic of Azerbaijan will be monitored on June 16, the Azerbaijani Defense Ministry reported.

- Azerbaijani defense minister meets NATO chief special envoy in Baku

The Azerbaijani Defense Minister Safar Abiyev discussed cooperation with the NATO Secretary General's special representative Robert Simmons, according to the Defense Ministry. The meeting between Abiyev and Simmons revolved around military and political situation in the region and, in particular, the Armenian-Azerbaijani Nagorno-Karabakh conflict.

- Azerbaijani and Russian border guards conduct joint exercises in the Caspian Sea

Azerbaijani and Russian border guards have conducted joint exercises in the Caspian Sea. The forces, participating in joint operational-tactical exercises "Identifying and preventing terrorist activities and smuggler, illegal drug trafficking, illegal immigration and other illegal activities in the Caspian Sea basin, the protection of biological resources, assistance to the wrecked ships and rescue of people", have demonstrated high combat effectiveness and fully accomplished their mission, the Azerbaijani State Border Service said.

Economic/Energy Front

- Ukraine set to buy Azerbaijani natural gas

Ukraine plans to purchase nearly 5 billion cubic meters of Azerbaijani gas. Ukraine's Fuel and Energy Minister Yuri Boyko says Ukrainian officials have held talks with Azerbaijani counterparts, who build a liquefied natural gas terminal in Kula in Georgia together with Romania and Bulgaria, according to RBK.

- Azerbaijan, China discuss prospects for cooperation

The Azerbaijani Parliament Speaker met with visiting member of the Politburo Standing Committee of the Communist Party of China, Secretary of the Parliament's Central Commission on disciplinary affairs Hee Gotsian.

Social Front

Kazakhstan

Political Front

- Kazakh President's Son-In-Law Wins Court Case

ALMATY -- An Almaty court has ruled that accusations of embezzlement against a son-in-law of Kazakh President Nursultan Nazarbaev are untrue, RFE/RL's Kazakh Service reports.

- Kazakh State Media Publishes Law Proclaiming Nazarbaev 'Leader Of The Nation'

Kazakh President Nursultan Nazarbaev has not signed the law, but has not formally vetoed it.

ASTANA -- Kazakhstan's state media outlets today printed the text of a law giving President Nursultan Nazarbaev special powers for life, RFE/RL's Kazakh Service reports. According to the law, Nazarbaev receives the status of "leader of the nation." As such, he cannot be prosecuted for any crimes, and his property and that of members of his family cannot be confiscated.

Geo strategic Front

- Moscow and Astana plan to sign agreements on cooperation in space and nuclear energy

Tashkent. June 11. Interfax-Kazakhstan – Russia and Kazakhstan plan to sign agreements on cooperation in space and nuclear energy during the Eurasian Economic Community (EurAsEC) summit in Astana in July, said the Kazakh President Nursultan Nazarbayev at a meeting with his Russian counterpart Dmitry Medvedev.

Economic/Energy Front

- Iran and Kazakhstan open direct air flight

Astana. June 14. Interfax-Kazakhstan - Kazakhstan and Iran launched a direct scheduled flight to link two capitals Tehran and Almaty, Minister of Transport and Communications told Interfax-Kazakhstan on Saturday.

- Kazakh uranium drive sheds Soviet nuclear legacy

(Reuters) - Cameco Corp is now among the leading foreign investors in Kazakhstan's fast-growing uranium sector.

Kazakh uranium drive sheds Soviet nuclear legacy

TAIKONUR, Kazakhstan (Reuters) - With a twist of his wrist, Jerry Grandey prised open a 400 kg drum of yellowcake to mark the official launch of Kazakhstan's latest uranium mine.

- Kazakhstan, China Sign Gas, Nuclear Energy Deals

Kazakh President Nursultan Nazarbayev, Chinese President Hu Jintao, and Russian President Dmitry Medvedev at a summit in Tashkent.

ASTANA (Reuters) -- China and Kazakhstan have agreed to build and finance a gas pipeline and deepen atomic energy ties, extending Beijing's influence in a region where it has used its financial might to access natural resources.

Social Front

- Residents Flee Floods In Southern Kazakhstan

A Kazakh man lives in makeshift housing after fleeing floods earlier this spring. SARYAGHASH, Kazakhstan -- At least 56 houses have been damaged by floods in the village of Zhylga near the town of Saryaghash in South Kazakhstan Oblast, RFE/RL's Kazakh Service reports. Some 300 local residents have fled their homes, fearing that more houses might be affected by the floods.

Kyrgyzstan Political Front

- Breaking Kyrgyzstan's Cycle Of Violence

An ethnic Uzbek man walks through the ruins of his house, which was destroyed during ethnic clashes in Osh, on June 17.

It has been a few days now that the Kyrgyz interim government has been trying to restore order in the southern region of the impoverished republic of Kyrgyzstan, where hundreds died and as many as 200,000 refugees fled to the border with Uzbekistan following clashes between ethnic Uzbeks and Kyrgyz.

- Ex-Kyrgyz Leader Denies Role In Unrest

MINSK (Reuters) -- Exiled former Kyrgyz president Kurmanbek Bakiev has denied any involvement in a wave of ethnic violence in the south of Kyrgyzstan that has killed at least 84 people.

- Kyrgyzstan Mobilizes Troops As Violence Spreads In Southern Cities

Kyrgyzstan's interim authorities have mobilized army reserves and authorized troops to shoot to kill in the southern cities of Jalal-Abad and Osh, where at least 79 people have died in three days of violence.

- Situation Remains Tense In Kyrgyzstan's South As Death Toll Reaches 124

Kyrgyz health officials now say at least 124 people have been killed and some 1,600 wounded in riots and ethnic clashes that began in southern areas four days ago.

It's the worst violence to hit the country in two decades. Tens of thousands of ethnic Uzbeks from Osh and Jalal-Abad provinces are reported to have fled across the border into Uzbekistan to escape attacks by Kyrgyz gangs, who have been accused of killings and setting fire to Uzbek-operated properties.

- Ferghana Valley: A Tinderbox For Violence

The violence in Osh has once again put the focus on the Ferghana Valley as one of the potentially most explosive regions of the former Soviet Union. What makes it that way? The home of cities like Osh and Andijon, the Ferghana Valley is the most densely populated area of Central Asia and the most explosive.

- Ex-Russian Foreign Minister Says CSTO Should Intervene In Kyrgyzstan

MOSCOW -- Former Russian Foreign Minister Igor Ivanov says a regional security organization should send peacekeeping troops to intervene in the ethnic conflict in Kyrgyzstan, RFE/RL's Russian Service reports.

- Bakiev's Son Being Held In Britain, Kyrgyz Officials Say

The son of toppled Kyrgyz President Kurmanbek Bakiev has been arrested in Britain on an Interpol warrant.

Geo strategic Front

- UN Urges Kyrgyz Government To Act Decisively Amid Turmoil

The United Nations has urged Kyrgyzstan to take “swift and decisive action” to end indiscriminate ethnic killing and to protect people in the southern part of the country near the border with Uzbekistan.

- Pakistani Students Flee Osh; Turkmen Await Assistance

Pakistani students rescued from Osh arrive in Pakistan on June 15.

A Pakistani air force plane has brought some 130 Pakistani nationals back to their home country from the embattled Kyrgyz city of Osh, while some 350 Turkmen university students are waiting for assistance in leaving the city.

- Belarus Refuses To Extradite Former Kyrgyz President

BISHKEK -- Kyrgyz officials say Belarus has officially refused to extradite former Kyrgyz President Kurmanbek Bakiev to Kyrgyzstan, RFE/RL's Kyrgyz Service reports. Azimbek Beknazarov, a deputy chairman of Kyrgyzstan's interim government, told RFE/RL that Belarusian officials explained their refusal on the grounds that Bishkek's official extradition request was "politically motivated."

- Dushanbe Rejects Reports Tajiks Involved In Kyrgyz Unrest

DUSHANBE -- The Tajik Foreign Ministry is rejecting allegations that people from Tajikistan have been involved in the ethnic unrest in Kyrgyzstan, RFE/RL's Tajik Service reports.

- EU Expresses 'Great Concerns' Over Kyrgyz Violence, Pledges Aid

BRUSSELS -- Although not initially on the agenda of the EU foreign ministers' meeting, the situation in Kyrgyzstan forced its way to the top of the bloc's current list of concerns. Speaking after the meeting on June 14, the EU's high representative for foreign policy, Catherine Ashton, said the bloc is watching events in Kyrgyzstan with "great concerns."

- Sphere Of Reluctance: Russia Hesitant About Kyrgyz Intervention

A billboard in southern Kyrgyzstan, where the ethnic violence has killed at least 170 people and injured many hundreds more, shows Russian President Dmitry Medvedev with the now-deposed Kyrgyz leader Kurmanbek Bakiev in April 2010.

Be careful what you wish for.

- Russian-Led Security Group Says No Peacekeepers For Kyrgyzstan

Russian-led Collective Security Treaty Organization (CSTO) says it will not deploy peacekeepers to Kyrgyzstan but may send security "specialists."

CSTO Secretary-General Nikolai Bordyuzha provided no further details about what he called security "specialists" but suggested they could be used to track down those behind the five days of clashes between majority Kyrgyz and ethnic Uzbeks that has killed a confirmed 191 people and injured many hundreds of others.

- Tajikistan Asks Kyrgyz Officials To Explain 'Tajik Involvement' In Unrest

DUSHANBE -- Tajikistan's National Security Committee has sent a letter to the Kyrgyz interim government asking it to explain media reports that say Tajik citizens are involved in the violence in southern Kyrgyzstan, RFE/RL's Tajik Service reports.

Tajikistan's parliament tasked the country's National Security Committee with sending the letter.

Economic/Energy Front

Social Front

- Pakistani Student Killed In Kyrgyzstan

Pakistani officials say that one of their country's citizens, a student, has reportedly been killed and 15 others taken hostage in Kyrgyzstan's volatile south.

Pakistani Foreign Minister Shah Mehmood Qureshi said today authorities are working to confirm the reports.

- Premier English Soccer Club Denies Links To Maksim Bakiev

On mentioning the name of Maksim Bakiev, the former Kyrgyz president's wayward son, it's often mentioned that he's a part owner of Blackpool Football Club (FC), a small seaside team that this year was promoted to the top flight of English soccer, the Premier League. After lurking in the lower divisions for the last 40 years, Blackpool have had a meteoric rise of late, climbing four divisions in eight years.

- More Than Half Of Osh Citizens Have Left The City

OSH, Kyrgyzstan -- About 60 percent of the nearly 250,000 citizens of the southern Kyrgyz city of Osh have left the city since ethnic clashes began last week, RFE/RL's Kyrgyz Service reports.

- Ethnic Tatars, Bashkirs Want To Leave Osh

OSH, Kyrgyzstan -- Ethnic Tatars and Bashkirs living in the city of Osh in southern Kyrgyzstan are desperate to leave the city, where clashes between ethnic Uzbeks and Kyrgyz have left around 190 dead and about 2,000 wounded, RFE/RL's Tatar-Bashkir Service reports.

Tajikistan Political Front

Geo strategic Front

- Tajikistan Asks Kyrgyz Officials To Explain 'Tajik Involvement' In Unrest

DUSHANBE -- Tajikistan's National Security Committee has sent a letter to the Kyrgyz interim government asking it to explain media reports that say Tajik citizens are involved in the violence in southern Kyrgyzstan, RFE/RL's Tajik Service reports.

- Emomali Rahmon heads to China

Dushanbe. June 16. "Asia-Plus" -- Tomorrow, June 17, Tajikistan President Emomali Rahmon will start his three-day working visit to Sinjan-Uigur autonomous district of the People's Republic of China.

- Rahmon, Medvedev agree to meet in Sochi

Dushanbe. June 14. "Asia-Plus" -- In the course of his official visit to Uzbekistan's capital of Tashkent Tajikistan President Emomali Rahmon met with his Russian counterpart Dmitry Medvedev, President's press service reported.

- Emomali Rahmon heads to China

Dushanbe. June 16. "Asia-Plus" -- Tomorrow, June 17, Tajikistan President Emomali Rahmon will start his three-day working visit to Sinjan-Uigur autonomous district of the People's Republic of China.

- Uzbekistan Wants To Close Rail Link To Tajikistan

DUSHANBE -- The Uzbek state railroad company has sent a letter to Tajik authorities notifying them that it wants to close a 44-kilometer stretch of railroad connecting the two countries, RFE/RL's Tajik Service reports.

Economic/Energy Front

Social Front

- Tajikistan Sends Humanitarian Aid To Kyrgyzstan

DUSHANBE -- The Tajik government has dispatched an aid caravan to the Kyrgyz city of Jalal-Abad to help people suffering from the ethnic unrest in that southern region, RFE/RL's Tajik Service reports.

Turkmenistan Political Front

Geo strategic Front

- U.S. Official Notes 'Some' Rights Progress In Turkmenistan

ASHGABAT -- A top U.S. official has told RFE/RL's Turkmen Service that Ashgabat has made some progress in human rights but still has a "lot of areas" where improvement is needed.

- Turkmenistan, United States begin bilateral political consultations

The first round of the bilateral Turkmen-American political consultations started in Ashgabat on June 14. The U.S. Government delegation headed by Assistant Secretary of State Robert Blake arrived in the Turkmen capital to participate in the consultations. The Turkmen Government delegation is headed by the Deputy Prime Minister, Foreign Minister Rashid Meredov.

- President of Turkmenistan attends SCO summit in Tashkent

On June 11, Turkmen President Gurbanguly Berdimuhamedov made a working visit to Tashkent, where on the invitation of the heads of the Shanghai Cooperation Organization he participated in the SCO summit as a guest of honor.

- Turkmen, Chinese leaders hold talks in Tashkent

President of Turkmenistan Gurbanguly Berdimuhamedov, who arrived in the capital of the Republic of Uzbekistan to attend the summit of the Shanghai Organization of Cooperation (SOC), has met with President Hu Zintao of the People's Republic of China on June 11.

Economic/Energy Front

- First American Business Mission To Turkmenistan Begins

WASHINGTON -- A group of U.S. businessmen was due in Turkmenistan today for the start of the first official American business mission to that Central Asian country, RFE/RL's Central Newsroom reports.

- Ashgabat hosts Turkmen-American Business Forum

Issues relating to development of the mutually beneficial Turkmen-American cooperation were put on the agenda of the fourth joint business forum, which took place at "Parakhat" (Peace) Center in Ashgabat on June 16.

- Turkmenistan and Iran sign agreement for additional gas supplies

On June 16, Turkmen President Gurbanguly Berdimuhamedov received Minister of Petroleum of the Islamic Republic of Iran Seyed Masoud Mir-Kazemi and Deputy Minister of Petroleum of Iran, Executive Director of the National Iranian Gas Company Jawad Oudzhi.

- President of Turkmenistan receives heads of major U.S. companies

On June 16, Turkmen President Gurbanguly Berdimuhamedov received in his Ashgabat's "Serdar" residence a number of heads of major American companies participating in the Turkmen-American Business Forum in Ashgabat.

- Turkmenistan discovers new natural gas field - Aigary

The successful testing of a deep exploration well in the perspective structure Aigary located in Hodzhambaz district of Lebap province was crowned with the discovery of a new gas field, the State News Agency of Turkmenistan (TDH) reports.

Social Front

Uzbekistan

Political Front

- The Demise Of Uzbekistan's Cash Cow Zeromax

It's a complicated game trying to figure out why a country would shut down its largest private-sector employer, whose tentacles reach across a broad spectrum of industries and is a key source of foreign investment and income.

Geo strategic Front

- Iran Threatens Uzbekistan Over Tajik Rail Problems

DUSHANBE -- Iran's state rail company has warned Uzbekistan that it will halt the movement of all Uzbek trains across Iran unless Uzbekistan permits the unrestricted transit of freight bound for Tajikistan, RFE/RL's Tajik Service reports.

- Uzbekistan Wants To Close Rail Link To Tajikistan

DUSHANBE -- The Uzbek state railroad company has sent a letter to Tajik authorities notifying them that it wants to close a 44-kilometer stretch of railroad connecting the two countries, RFE/RL's Tajik Service reports.

- President of Uzbekistan holds telephone conversation with US State Secretary

President of Uzbekistan Islam Karimov held a telephone conversation with US State Secretary Hillary Clinton on 17 June to discuss tragic events in the city of Osh and Jalalabad region of Kyrgyzstan in the recent days.

- President of Uzbekistan holds telephone conversation with UN Secretary General
- President of Uzbekistan Islam Karimov held a telephone conversation with United Nations Organization Secretary General Ban Ki-Moon on 16 June.

During the talk, the leader of Uzbekistan informed the UN head about the concrete data, figures and facts, which give evidence about the unpunished killings, violence, pogroms and arson by organized gangs of bandits towards peaceful citizens, mainly Uzbek population, in the recent days in the south of the Kyrgyz Republic, in Osh city and Jalalabad region.

- President Islam Karimov holds bilateral talks

President of the Republic of Uzbekistan Islam Karimov met at Kuksaroy complex June 11 with President of the Islamic Republic of Pakistan Asif Ali Zardari, attending the summit of Shanghai Cooperation Organization (SCO) in Tashkent as head of an observer state.

- Cooperation aimed at bolstering peace and security

In accordance with traditions of Shanghai Cooperation Organization (SCO), a member state presides at the Organization each year. Following the last year's summit in Yekaterinburg, Russia, the chairmanship in SCO switched to the Republic of Uzbekistan. Traditionally, the presiding nation arranges for summit of the Organization on its territory.

Economic/Energy Front

Social Front

Detailed Report

Azerbaijan

Political Front

- **Flooded Azerbaijani Villagers Want Dam Dismantled**

BAKU -- Residents of villages in central Azerbaijan still flooded from last month's heavy rains are seeking greater help from the government to lower the water level, RFE/RL's Azerbaijani Service reports. The people say the dismantling of a dam on the nearby Kura River would lower its level and cause the water still flooding the Qasimbeyli, Axtachi, Asgarbayli, and Dalilar villages of Sabirabad district and the nearby Novruzlu village to drain into the Kura and Araz rivers. Qasimbeyli resident Fatulla Fatullayev told RFE/RL today that although the levels of the Kura and Araz have fallen, four villages between the confluence of the two rivers are still under water. Local officials reject the villagers' demand to dismantle the dam. They say no further action is possible until the level of the Kura reverts to normal.

Vafadar Bagirov, who heads the Sabirabad district commission for emergencies, told RFE/RL that the residents' argument is flawed. He pointed out that dismantling the dam could cause Lake Sarisu to overflow, flooding an even larger expanse of territory.

The Kura burst its banks last month, flooding some 20,000 households and more than 50,000 hectares of arable land. More than 300 homes were destroyed and 2,000 more badly damaged.

An Azerbaijan parliament committee today decided to allocate 300 million manats (\$373 million) from the state budget in flood relief.

Geo strategic Front

- **British Group To Expand Nagorno-Karabakh Demining**

STEPANAKERT, Nagorno-Karabakh -- A British humanitarian organization says it has cleared land mines and unexploded ordnance from the bulk of Nagorno-Karabakh's war-affected territory and will soon begin demining Armenian-controlled areas outside the disputed region, RFE/RL's Armenian Service reports.

Representatives of the HALO Trust made the announcement on June 7 as they marked the 10th anniversary of HALO's permanent presence in Karabakh at a ceremony attended by the Karabakh Armenian leadership.

Karabakh President Bako Sahakian praised the group's decade-long demining efforts in his unrecognized republic that have been financed by the U.S. government and nongovernmental Western charities.

"We regard saved lives as the biggest result and value of the work done by them," he said in a speech at the ceremony held in Khachen, a village in eastern Karabakh.

The HALO Trust says that since 2000 it has destroyed over 50,000 land mines, cluster munitions, and other items of unexploded ordnance over 125 square kilometers of land.

According to its regional director, Andrew Moore, that means more than 80 percent of Karabakh territory mined by Armenian and Azerbaijani forces during the 1991-94 hostilities is now considered safe.

Aknaghbyur, a village in southern Karabakh, has been one of the biggest beneficiaries of HALO's demining efforts. "Six hundred hectares of our agricultural land have been cleared," Artur Babayan, the village mayor attending the ceremony, told RFE/RL.

The disputed region within Azerbaijan and much of the adjoining territory has been under the control of ethnic Armenians since the 1994 cease-fire. Karabakh has continued to regularly report civilian casualties from land mines and unexploded ordnance. According to government data, 74 local residents have been killed and 254 others wounded in landmine explosions over the past decade. Moore said that HALO, which operates in nine countries and has nearly 8,000 mine-clearers, now plans to expand its operations into some of the Azerbaijani districts around Karabakh that were fully or partly occupied by Karabakh Armenian forces during the war.

He said that work will be financed by a fresh grant from the Julia Burke Foundation, a California-based charity that has supported HALO's activities in Karabakh since 2007.

"I hope very much that Azerbaijan will not try to influence other potential donors willing to support demining efforts in Nagorno-Karabakh," said Caroline Cox, a pro-Armenian member of the British House of Lords who has frequently visited Karabakh since the early 1990s. She argued those efforts have a "humanitarian, rather than political" character. Azerbaijan has repeatedly criticized HALO for engaging in land-mine clearance in Karabakh without its permission.

- U.S. Reaches Out To Azerbaijan

Azerbaijani President Ilham Aliyev (right) meets with U.S. Defense Secretary Robert Gates in Baku on June 6.

U.S. President Barack Obama promised Azerbaijan in a letter released today that Washington will treat its dispute with Armenia as a top priority. Azerbaijan is an important link in Afghan supply lines and energy export routes to the West.

In April, Azerbaijan accused the United States of siding with Armenia over Nagorno-Karabakh, an enclave populated mainly by ethnic Armenians that broke away from Azerbaijan in the early 1990s, prompting a civil war that left some 30,000 dead. A cease-fire agreement was signed in 1994.

In a copy of the letter provided to journalists, Obama wrote that a peaceful resolution of the dispute is vital for the stability of the South Caucasus. "Support for this outcome will remain a priority for the United States," it said. Obama acknowledged "serious issues" in U.S. relations with Azerbaijan, but said "I am confident that we can address them."

U.S. Defense Secretary Robert Gates hand-delivered Obama's letter to President Ilham Aliyev on June 6. In the letter, Obama praises Azerbaijan for sending military personnel to serve in Afghanistan and opening its land and air space to help resupply U.S. and NATO forces there. Gates told reporters today that he and Azerbaijan's leadership had discussed ways to expand military-to-military relations, including exercises and intelligence sharing.

- OSCE to monitor line of contact between Armenian and Azerbaijani troops

The OSCE will monitor the line of contact between Armenian and Azerbaijani troops.

According to the mandate of the Personal Representative of the OSCE chairman-in-office, the contact line between Armenian and Azerbaijani troops near the village of Ashagi Buzgov in Babek region of the Nakhichevan Autonomous Republic of Azerbaijan will be monitored on June 16, the Azerbaijani Defense Ministry reported.

The monitoring will be conducted by coordinator of the office of personal representative of the OSCE chairman-in-office Imre Palatinus and Field Assistant Zhaslan Nurtazin from the Azerbaijani side.

The monitoring will be conducted by field assistants to the Personal Representative of the OSCE Chairman-in-Office Antal Herdich and William Pryor from the opposite side of the line of contact, which is an internationally recognized territory of Azerbaijan.

- Azerbaijani defense minister meets NATO chief special envoy in Baku

The Azerbaijani Defense Minister Safar Abiyev discussed cooperation with the NATO Secretary General's special representative Robert Simmons, according to the Defense Ministry. The meeting between Abiyev and Simmons revolved around military and political situation in the region and, in particular, the Armenian-Azerbaijani Nagorno-Karabakh conflict. The foundation for cooperation between Azerbaijan and NATO was laid through signing a program-document within the framework of the Partnership for Peace May 4 1994. Azerbaijan was one of the 27 OSCE member countries to join the program. In April 1996, an official document envisaging concrete directions in the cooperation was signed within the framework of the Partnership for Peace. Now, Azerbaijan is fulfilling about 50 tasks in conformity with the program.

August 3, 2005, Azerbaijani President Ilham Aliyev signed the Decree on "Approval of the Action Plan on Individual Partnership between the Azerbaijani Republic and NATO". Azerbaijan and NATO are now cooperating within the second stage of the Action Plan on Development of Individual Partnership between Azerbaijan and NATO. Since 1999, the Azerbaijani troops have been providing support to peacekeeping operations of NATO in Kosovo, and since 2002 - in Afghanistan.

- Azerbaijani and Russian border guards conduct joint exercises in the Caspian Sea

Azerbaijani and Russian border guards have conducted joint exercises in the Caspian Sea. The forces, participating in joint operational-tactical exercises "Identifying and preventing terrorist activities and smuggler, illegal drug trafficking, illegal immigration and other illegal activities in the Caspian Sea basin, the protection of biological resources, assistance to the wrecked ships and rescue of people", have demonstrated high combat effectiveness and fully accomplished their mission, the Azerbaijani State Border Service said.

The main purpose of the exercises was the improvement of joint activities in the field of maritime boundaries, preventing of threats in the sea and rescue operations. The border ships, high-speed boats, mobile groups and border aviation were involved in the exercises.

Economic/Energy Front

- Ukraine set to buy Azerbaijani natural gas

Ukraine plans to purchase nearly 5 billion cubic meters of Azerbaijani gas.

Ukraine's Fuel and Energy Minister Yuri Boyko says Ukrainian officials have held talks with Azerbaijani counterparts, who build a liquefied natural gas terminal in Kula in Georgia together with Romania and Bulgaria, according to RBK.

"We plan to buy 5 billion cubic meters of gas in the first stage, and about 5 to 10 billion cubic meters in the second stage," he said.

The minister said that the construction of own transshipment terminal for liquefied natural gas will cost Ukraine a billion dollars. However, building a terminal in Odessa, Kiev will be able to find alternatives to Russian gas.

"Construction of the terminal will pay off very quickly," the minister added.

- Azerbaijan, China discuss prospects for cooperation

The Azerbaijani Parliament Speaker met with visiting member of the Politburo Standing Committee of the Communist Party of China, Secretary of the Parliament's Central Commission on disciplinary affairs Hee Gotsian.

Speaker Ogtay Asadov highly appreciated level of the Azerbaijani-Chinese relations, foundation of which was laid in 2005 by signing a declaration on the development of bilateral relations and other important documents during Ilham Aliyev's visit to China. He said these documents have created a legal basis for the development of relations between the two countries.

"Relations between Azerbaijan and China are developing in all spheres. In 2009, despite the global financial crisis, the country reached trade turnover worth \$ 659 million, and during four months of 2010 this figure amounted to \$357 million", Asadov said.

However, he said, there is great potential for development of trade turnover, which has not yet been used. Asadov expressed his gratitude to the State and Government of China for its continuous support to Azerbaijan in the Nagorno-Karabakh issue.

"Azerbaijan is developing rapidly and is the most powerful country in the region. China has always been interested in developing relations with Azerbaijan", Gotsian said. He said China has always supported and will support Azerbaijan's territorial integrity.

Social Front

Kazakhstan

Political Front

- Kazakh President's Son-In-Law Wins Court Case

ALMATY -- An Almaty court has ruled that accusations of embezzlement against a son-in-law of Kazakh President Nursultan Nazarbaev are untrue, RFE/RL's Kazakh Service reports.

Nazarbaev son-in-law Timur Kulibaev -- the vice president of the state financial company Samruk-Qazyna -- had filed a lawsuit against fugitive businessman Mukhtar Ablyazov demanding that he retract his accusations as groundless.

Ablyazov, the former head of Kazakhstan's BTA Bank, fled the country last year after an official investigation was made into his activities. He now lives in Britain.

In January, Ablyazov posted documents on the Internet that he claimed prove that Kulibaev had embezzled millions of dollars from the state while heading Kazakhstan's KazMunayGaz oil and gas corporation.

Kulibaev and his lawyers said the accusations were untrue and filed the lawsuit against Ablyazov.

The court's decision legalized Kulibaev's position. It is not clear whether Kulibaev plans further legal action to demand compensation from Ablyazov.

Neither Kulibaev nor Ablyazov was present in the courtroom when the verdict was read.

- Kazakh State Media Publishes Law Proclaiming Nazarbaev 'Leader Of The Nation'

Kazakh President Nursultan Nazarbaev has not signed the law, but has not formally vetoed it.

ASTANA -- Kazakhstan's state media outlets today printed the text of a law giving President Nursultan Nazarbaev special powers for life, RFE/RL's Kazakh Service reports. According to the law, Nazarbaev receives the status of "leader of the nation." As such, he cannot be prosecuted for any crimes, and his property and that of members of his family cannot be confiscated.

The constitutional law "On the Leader of the Nation" was adopted by both chambers of parliament -- the Senate and Mazhlis -- in mid-May and signed by their respective chairmen and by Prime Minister Karim Masimov.

Nazarbaev himself refused to sign the law. He argued that the title of "leader of the nation" cannot be bestowed by means of decrees or laws.

On June 4, the parliament officially accepted Nazarbaev's refusal to sign the law. Kazakh laws make provision for a law to take effect without the president signing it if the president does not formally veto it.

It's not clear if the law has entered into force, but one of the lawmakers who proposed the law said it is going into effect because it has been published in state media.

Geo strategic Front

- Moscow and Astana plan to sign agreements on cooperation in space and nuclear energy

Tashkent. June 11. Interfax-Kazakhstan – Russia and Kazakhstan plan to sign agreements on cooperation in space and nuclear energy during the Eurasian Economic Community (EurAsEC) summit in Astana in July, said the Kazakh President Nursultan Nazarbayev at a meeting with his Russian counterpart Dmitry Medvedev.

In addition, Nazarbayev offered Medvedev to discuss the situation in Kyrgyzstan.

“We are both concerned over what is happening in Kyrgyzstan, I would also like to discuss these issues and matters of regional security,” said the Kazakh President.

Economic/Energy Front

- Iran and Kazakhstan open direct air flight

Astana. June 14. Interfax-Kazakhstan - Kazakhstan and Iran launched a direct scheduled flight to link two capitals Tehran and Almaty, Minister of Transport and Communications told Interfax-Kazakhstan on Saturday.

"The opening ceremony of the maiden flight of Mahan Air to Almaty is scheduled on June 16, 2010," the press office of the Ministry of Transport said.

The flight of Mahan Air will be made three times a week by A-310 during a spring-summer 2010.

Earlier with no direct air transportation between Kazakhstan and Iran, the Baku airport in Azerbaijan served as the connection point on the route.

- Kazakh uranium drive sheds Soviet nuclear legacy

(Reuters) - Cameco Corp is now among the leading foreign investors in Kazakhstan's fast-growing uranium sector.

Kazakh uranium drive sheds Soviet nuclear legacy

TAIKONUR, Kazakhstan (Reuters) - With a twist of his wrist, Jerry Grandey prised open a 400 kg drum of yellowcake to mark the official launch of Kazakhstan's latest uranium mine.

Grandey, chief executive of Cameco Corp, admits to being an anti-nuclear activist in his youth. His company is now among the leading foreign investors in Kazakhstan's fast-growing uranium sector.

Kazakhstan surpassed Canada last year as the world's largest uranium miner. With more than 15 percent of global reserves, the Central Asian state is poised to become the primary supplier of the metal to a new generation of nuclear reactors worldwide.

"The uranium potential of Kazakhstan is remarkable," said Gregory Vojack, an Almaty-based attorney at Bracewell & Giuliani LLP who advised state nuclear firm Kazatomprom on a \$500 million Eurobond last month. The issue was eight times oversubscribed.

Global uranium consumption is forecast by the World Nuclear Association to reach 91,537 tonnes by 2020 and 106,128 tonnes by 2030, increases of 33 percent and 55 percent respectively from the 68,646 tonnes forecast for this year. The need for new mines will be exacerbated when Russia's 20-year 'Megatons to Megawatts' programme to export uranium from decommissioned nuclear weapons expires in 2013.

This will remove 24 million pounds of reactor-quality uranium from the market, about 13 percent of world consumption, which has helped restrain uranium prices by bridging the gap between supply and demand.

Kazakhstan produced 13,900 tonnes of uranium last year, more than a quarter of world output. It expects to produce 18,000 tonnes this year and more than 25,000 tonnes by 2015. The country has attracted foreign investors like Areva and Toshiba Corp. But it is not without risk: investors were shocked when the man once hailed as the architect of such partnerships began a 14-year jail term in March.

Mukhtar Dzhakishev had led Kazatomprom since 1998 before his arrest last year on charges of corruption, theft and the illegal sales of assets to foreign companies. He denies the accusations.

Kazakhstan says his arrest was part of its attempts to root out corruption from key industries, but the incident has fueled speculation of an intensifying power struggle within the political elite. Kazatomprom is now headed by Vladimir Shkolnik, a former industry minister. Duisenbay Turganov, vice-minister of industry and new technologies, said the Dzhakishev case would have no bearing on the state company's future plans.

"Neither our strategy nor our overall direction are changing," he told an investment forum in Almaty this month.

COMPETITION FOR ASSETS

The uranium boom is good news for the residents of Taikonur. Once populated only by Russian geologists, the town was largely abandoned when the Soviet Union fell. It has been revived by an influx of ethnic Kazakhs seeking well-paid work in the mines.

The Inkai mine employs around 500 people earning an average monthly wage of around \$1,200, more than double the national average. Just down the road, Canadian miner Uranium One runs another mine, South Inkai, in partnership with Kazatomprom.

"There is competition for employees, as there are six mines in the region now," said Glen Hein, director of safety, health, environment and quality at Inkai.

This competition extends to national level, as international miners vie for a share of the lucrative business. But Kazakhstan has made it clear it will not let anyone invest in its uranium. "We don't need portfolio investors," said Nurlan Ryspanov, vice-president for

production at Kazatomprom, which owns a 10 percent stake in U.S.-based reactor builder Westinghouse.

"We need co-investors who, by entering the uranium business, will bring with them new technologies and capabilities for us to enter new phases of the nuclear fuel cycle."

These conditions relate to Kazatomprom's ambition to take its uranium through the entire nuclear fuel cycle by 2020, a process that requires building a reactor near the Caspian Sea. Another key step in the process will be construction of a plant to convert the yellowcake produced at Inkai into gas form, the stage prior to enrichment. Cameco and Kazatomprom will complete a feasibility study on the project by the end of 2010.

The World Nuclear Association says there are 439 nuclear reactors operating worldwide today. Plans exist to build 57 more. China is constructing 23, Russia 10 and South Korea six.

SOVIET LEGACY

Inkai, like most Kazakh mines, produces uranium via the in-situ recovery method. Drill rigs bore holes into the steppe to recover uranium in an acid solution, which is concentrated in several stages before being dried to produce yellowcake.

The technique avoids the need to dig shafts or pits, cutting mining and land reclamation costs and reducing the risk of injury to miners. The Kazakh uranium industry wasn't always so modern. The country inherited decaying Soviet infrastructure and output fell by 75 percent in the years following independence. Grandey has seen these changes: he spent two summers in the late 1980s traveling around the closed nuclear cities of the Soviet Union; places that were either omitted from the map or deliberately placed in false locations to confuse the West. For many, this legacy is hard to shake. More than 1 million people who lived next to the Semipalatinsk atomic bomb test site were affected by radiation resulting from the Soviet Union's test explosions of about 500 bombs between 1949 and 1989. "Semipalatinsk has made people radiation-phobic, though it's less of a problem now than it was," said Timor Zhantikin, who chairs the Nuclear Power Committee in the Ministry of Industry and New Technologies. The test site closed two decades ago.

He says people still need to be educated on the advantages of nuclear energy, but that Kazakhstan can use its Soviet legacy to its advantage. Building a reactor will be easier, he said, because the country has already dismantled a Soviet-era plant. And while opposition to nuclear power persists among some lobbies in Australia, the only country with more uranium in the ground than Kazakhstan, the Central Asian state is likely to advance its position as the world's largest uranium miner.

"Australia has had a love-hate relationship with uranium," said Bob Steane, Cameco's chief operating officer. "Kazakhstan has set out a very clear path."

- Kazakhstan, China Sign Gas, Nuclear Energy Deals

Kazakh President Nursultan Nazarbayev, Chinese President Hu Jintao, and Russian President Dmitry Medvedev at a summit in Tashkent.

ASTANA (Reuters) -- China and Kazakhstan have agreed to build and finance a gas pipeline and deepen atomic energy ties, extending Beijing's influence in a region where it has used its financial might to access natural resources.

Chinese President Hu Jintao and Kazakh leader Nursultan Nazarbayev presided over the deals between state companies that give Beijing greater access to resources and allow Kazakhstan, Central Asia's biggest economy, to diversify its energy exports.

"Thanks to our joint strengths, Sino-Kazakh relations will undoubtedly reach new levels," Hu said after meeting Nazarbayev.

Lying on some of the world's biggest oil, gas, and metals reserves, Central Asia is at the center of a geopolitical tug-of-war between Russia, China, and the West, all seeking to grab a share of its untapped riches.

China's foray into Central Asia represents a challenge to Russia, which still sees the region as part of its sphere of influence. It is also a worry for Europe, which hopes the energy-rich region can be an alternative new supplier of gas.

State companies KazMunaiGas and China National Petroleum Corporation (CNPC) agreed to build and finance the Kazakh leg of a natural gas pipeline network. The \$3.0 billion to \$3.5 billion investment cost will be shared equally. The Beyneu-Shymkent pipeline will join a larger pipeline that snakes 1,833 kilometers across Central Asia from a gas field developed by the Chinese in eastern Turkmenistan. Hu opened the larger pipeline in December.

KazMunaiGas President Kairgeldy Kabyldin said the Kazakh pipeline would have capacity of 15 billion cubic metres (bcm). A first stage, to be completed by the start of 2014, would have capacity to deliver 10 bcm.

Kabyldin said the pipeline would allow Kazakhstan to provide energy security for its southern regions, an area that currently relies heavily on gas from neighboring Uzbekistan.

"Secondly, it will allow us to diversify our export options. Today we are exporting gas only via [Russian state company] Gazprom," he said.

The bigger Central Asia-China route will have capacity to deliver 40 bcm when it is completed in 2013 or 2014.

Chinese resource firms have already established a foothold in Kazakhstan. Among recent deals, China Development Bank agreed last year to lend up to \$2.7 billion to copper miner Kazakhmys and CNPC tied up with KazMunaiGas in a \$2.6 billion deal to take over oil firm MangistauMunaiGas. Kazakhstan, which last year surpassed Canada to become the world's largest uranium miner, will also increase shipments to China after its state nuclear company agreed a supply contract today during the presidential visit.

Kazatomprom will supply uranium to China Guangdong Nuclear Power Corporation (CGNPC), details of which were not disclosed.

CGNPC -- which operates over 40 percent of China's nuclear power generating capacity - - said in April 2009 it would develop a uranium deposit in Kazakhstan with reserves of 40,000 tons together with Kazatomprom. China plans to import a total of 24,200 tons of Kazakh uranium between 2008 and 2012. A third agreement signed today will allow for cooperation between Kazakhstan and China on the peaceful development of nuclear energy. The World Nuclear Association says there are 439 nuclear reactors operating worldwide today. Plans exist to construct 57 more; China is constructing 23 of them.

Social Front

- Residents Flee Floods In Southern Kazakhstan

A Kazakh man lives in makeshift housing after fleeing floods earlier this spring.

SARYAGHASH, Kazakhstan -- At least 56 houses have been damaged by floods in the village of Zhylga near the town of Saryaghash in South Kazakhstan Oblast, RFE/RL's Kazakh Service reports. Some 300 local residents have fled their homes, fearing that more houses might be affected by the floods.

It is the second period of flooding caused by heavy rains in the region this month. Two weeks ago, the town of Saryaghash and six villages were flooded and hundreds of people fled. The eastern and southern regions of Kazakhstan have been hit by severe flooding repeatedly since March.

Kyrgyzstan

Political Front

- Breaking Kyrgyzstan's Cycle Of Violence

An ethnic Uzbek man walks through the ruins of his house, which was destroyed during ethnic clashes in Osh, on June 17.

It has been a few days now that the Kyrgyz interim government has been trying to restore order in the southern region of the impoverished republic of Kyrgyzstan, where hundreds died and as many as 200,000 refugees fled to the border with Uzbekistan following clashes between ethnic Uzbeks and Kyrgyz. The violence, clearly orchestrated by third parties to derail the upcoming referendum on the constitution and expose the ineffectiveness of the interim government, has subsided, although tensions are still running high and security conditions remain extremely grave. The interim government and the United Nations have both confirmed that groups of gunmen in ski masks attacked both Uzbeks and Kyrgyz in efforts to sow violence and discord between the two groups.

The interim government, headed by Roza Otunbaeva in the aftermath of the protests in April that forced the President Kurmanbek Bakiev out of power, gave hope to millions of people -- including both Uzbeks and Kyrgyz -- that a more democratic and worthy future would ensue after years of misery and ineffective public policies. This hope is now being dissipated as the clashes between Uzbeks and Kyrgyz threaten the integrity and sovereignty of a nation that already experienced violent conflicts between the two groups in 1990 -- as the Soviet Union was taking its last breaths.

The complexities of the densely populated Ferghana Valley, which is home to diverse ethnic groups and scarce resources, make the conflict in Kyrgyzstan especially dangerous, given the risk of violence flowing across national borders. Harsh social and economic conditions observed across all three countries sharing the Fergana Valley -- Uzbekistan, Tajikistan, and Kyrgyzstan -- make the situation particularly dangerous. Add to this the region's proximity to unstable Afghanistan, local operations of organized crime and drugs cartels, and the presence of extremist and terrorist organizations including Hizb-ut-Tahrir, the Islamic Movement of Uzbekistan, Al-Qaeda, and others.

Worst-Case Scenario

The interim government has acknowledged its lack of control on the ground and has appealed for a peacekeeping force. Thus far, no affirmative response has been forthcoming. Partly, this reflects concerns about likely heavy financial and political burden in of any intervention. Some still hope the shaky interim government will bring the situation under control.

But there is a risk. Not only are significantly more people likely to die in the continuing clashes, but the situation could spiral out of control completely, substantially

undermining security in the volatile region and requiring the deployment of even larger contingents of troops and equipment to quell the violence.

Whether Russia indeed views Central Asia as its "sphere of influence" or not, it needs to step up. And so does the United States, which vigorously promotes human rights and security in principle but is often slow to do so in practice.

Both countries have military bases in Kyrgyzstan, with the U.S. transit center at Manas critical to NATO's war effort in Afghanistan. Both also have an opportunity to work together -- bilaterally or multilaterally -- to help stabilize this part of the world. Geopolitical competition between the two countries, which has seriously affected recent developments in Kyrgyzstan, could now be transformed into cooperation. But the failure to do so would invite more violence and insecurity.

Kyrgyz Fragility

What accounts for the ongoing instability in the country, and what needs to be done to fix Kyrgyzstan? Ethnic tensions have always been present, especially in the southern region that is home to a comparatively young population facing high unemployment and meager living conditions. In many ways, the southern region is also economically and culturally detached from the northern areas of the country. Clearly, the so-called ethnic tensions have socioeconomic roots, and it is much better to work on them in peace rather than seek to resolve them in violence. The sequence of events in Kyrgyzstan -- the Kyrgyz-Uzbek conflicts in 1990, the "Tulip Revolution" in 2005, the protests in 2010, and the ongoing clashes -- all demonstrate the instability and fragility of this authoritarian country.

Indeed, it is the authoritarian nature of the regimes and politics in Kyrgyzstan -- characterized by corruption, nepotism, and failed domestic and foreign policies -- that has deprived the people of the possibilities of economic development and social stability. And now it has brought the very viability of the Kyrgyz state into question.

The lessons are clear. Kyrgyzstan needs to implement a large-scale national development program focusing on the economic integration of its regions and the consolidation of national identity. It must build effective and accountable public institutions capable of addressing the social and economic needs of the people and of fostering a democratic and inclusive political culture. Breaking the cycle of poverty and authoritarianism is a must. Stopping the ongoing bloodshed now is an obligation.

- Ex-Kyrgyz Leader Denies Role In Unrest

MINSK (Reuters) -- Exiled former Kyrgyz president Kurmanbek Bakiyev has denied any involvement in a wave of ethnic violence in the south of Kyrgyzstan that has killed at least 84 people.

Bakiyev said in a statement that reports of his involvement were "shameless lies" and that the interim government that replaced him after an uprising in April were proving incapable of quelling the unrest.

- Kyrgyzstan Mobilizes Troops As Violence Spreads In Southern Cities

Kyrgyzstan's interim authorities have mobilized army reserves and authorized troops to shoot to kill in the southern cities of Jalal-Abad and Osh, where at least 79 people have died in three days of violence.

The Kyrgyz Health Ministry has said that in addition to those killed, more than 1,060 people have been injured since the clashes began late on June 10 in the city of Osh and nearby areas. Late on June 12, the violence was reported to have spread to Jalal-Abad,

where a mob burned a university and took over a police station, according to the Associated Press.

Thousands of ethnic Uzbeks are reported fleeing the cities. The Human Rights Watch group, which has a monitor in Osh, said in a statement that Kyrgyz gangs have apparently been targeting Uzbek neighborhoods and that many Uzbek-owned homes, shops and restaurants have been burned.

Reports said there are also concerns about a shortage of food due to the unrest.

The interim government announced a curfew and a state of emergency in the southern city of Jalal-Abad and Osh, and agreed that security forces could use lethal force to defend civilians.

Roza Otunbaeva, the head of Kyrgyzstan's interim government, told reporters today there are "some inside forces" who want to destabilize the country.

Earlier today, Otunbaeva said she had sent a letter to the Russian government asking Moscow to help resolve the ongoing conflict in Osh, and that she welcomed help from other countries. "We have appealed to friendly countries," Otunbaeva said. "Since yesterday, the situation has been spiraling out of control and we need some kind of [help from] third forces, from a third country, a country other than Kyrgyzstan. We need the help of another [country's] armed forces to pacify the situation."

Moscow responded that it is sending humanitarian aide to Kyrgyzstan, but will not send troops under the current circumstances.

"This is an internal conflict and Russia does not yet see the conditions for its participating in resolving it," presidential spokeswoman Natalya Timakhova told Russian news agencies. The interim government also appealed today to retired police and army officers to travel to Osh to prevent ethnic clashes. The 24.kg news agency quotes government spokesman Azimbek Beknazarov as saying "the authorities will be grateful for any [retired officer] volunteers who are ready to help prevent civil war in the south of Kyrgyzstan."

Ethnic Tensions

The clashes between ethnic Kyrgyz and Uzbek youth have spilled over into battles between bigger groups as law enforcement to restrain them.

The interim government has declared a state of emergency in the area after sending in troops along with armored vehicles and helicopters hours after the violence broke out in the south.

RFE/RL's Kyrgyz Service correspondent in Osh, Alisher Toksonbaev, says gunfire can still be heard in the city today, and that many Osh residents are fleeing the city.

"There are barricades everywhere in the city [made by local people], and they don't let journalists pass," Toksonbaev said. "Highways connecting Osh with Jalal-Abad province are almost completely closed. The city is under blockade."

Electricity and gas supplies were cut off in Osh since June 11 and public transportation is not functioning. The city's bazaar has been set alight, as were many other buildings downtown, Toksonbaev reports.

Several residential houses were reportedly set on fire, including houses in Uzbek neighborhoods.

There are extensive reports about clashes between the local Kyrgyz and the area's sizeable Uzbek minority. Kyrgyzstan's interim authorities accused "destructive" elements of instigating interethnic violence in the country.

'Masked Men'

Andrea Berg, a Central Asia researcher for international group Human Rights Watch, expressed concern about reported attacks on ethnic Uzbeks, and called on Kyrgyz authorities to take "urgent action to protect all groups in southern Kyrgyzstan from ethnic reprisals in the wake of recent rioting."

"Last night the situation was calm in the area where I've been staying," Berg told RFE/RL from Osh. "However, I have information from my acquaintances living in Uzbek neighborhoods near the main railway station and provincial hospital, who say the situation there is appalling. They say some drunken Kyrgyz came to the area -- and they are not local Kyrgyz -- and that they were killing people. Now I have such information from two sources that Uzbeks, in big groups both in cars and by foot, are fleeing toward Uzbekistan's border." Interim authorities said today a border point with Uzbekistan near Osh is open from the Kyrgyz side. RFE/RL correspondent Toksonbaev said "there are many masked men moving in the city, who appeared to be shooting both at Uzbeks and Kyrgyz."

"They speak both Kyrgyz and Uzbek perfectly, so it's very confusing and difficult to determine who these men are," he said.

"Soldiers and police forces move only in the city center and areas where tension is high and people call for help. But men in black masks are seen in all parts of the city. They come, shoot, and leave. Even the police and forces from the Defense Ministry are not able to hunt them down," Toksonbaev said.

The turmoil has spread to the capital Bishkek, where at least 27 people have reportedly been hospitalized since clashes overnight.

Local media reported that authorities in the capital have been trying to stop groups of people -- mostly young men -- from going to Osh. Dozens of angry people reportedly gathered around the parliament building today, demanding that authorities to provide them with vehicles to go to Osh, saying they wanted to protect their relatives in the south. Another group of men, mostly natives of the southern provinces working at the capital's Osh Bazaar, were also trying to get to the southern city.

Interim officials were reportedly telling the men to leave it to law-enforcement forces to restore order in the south.

The situation has been unstable in the south since the ouster of the former President Kurmanbek Bakiev in the aftermath of a popular uprising in April that led to regime change in Bishkek.

Support for Bakiev has been strongest in the south, where the president hails from.

Dubbed the country's "southern capital," Osh -- with a population of some 220,000 -- is the second largest city in Kyrgyzstan.

- Situation Remains Tense In Kyrgyzstan's South As Death Toll Reaches 124

Kyrgyz health officials now say at least 124 people have been killed and some 1,600 wounded in riots and ethnic clashes that began in southern areas four days ago.

It's the worst violence to hit the country in two decades. Tens of thousands of ethnic Uzbeks from Osh and Jalal-Abad provinces are reported to have fled across the border into Uzbekistan to escape attacks by Kyrgyz gangs, who have been accused of killings and setting fire to Uzbek-operated properties.

Explainer: 10 Things You Need To Know About The Ethnic Unrest In Kyrgyzstan
The International Committee of the Red Cross (ICRC) has warned the crisis is "far from over." ICRC regional head Pascale Meige Wagner put the number of refugees at 80,000, adding that another 15,000 are waiting to cross over.

The UN refugee agency (UNHCR) says it is sending aid and an emergency team to Uzbekistan.

Bakiev Speaks

Uzbek Deputy Prime Minister Abdullah Aripov said Uzbekistan planned to shut its border with Kyrgyzstan, but UN High Commissioner for Human Rights Navi Pillay urged both Uzbekistan and Tajikistan to keep their borders open.

Former President Kurmanbek Bakiev, who was ousted by antigovernment protests in April, broke his silence on this fourth day of violence and held a press conference in Minsk, where he has been staying since he fled the country. He accused the interim government of having "absolutely no control over the situation" and denied that he or members of his family had a hand in the violence. Former Kyrgyz President Kurmanbek Bakiev speaking in Minsk on June 14. The country's leaders, he said, "should stop blaming everything on me, my family, or the previous government. Instead of protecting the people's safety, instead of trying to resolve the situation and ease the tension, they are only involved in persecution, prosecution, and intimidation."

Bakiev also called on the Collective Security Treaty Organization (CSTO) -- a Russia-dominated regional security bloc of seven former Soviet republics, including Kyrgyzstan -- to send forces to quell the unrest, saying the move is needed "bring the situation back to normal." Kyrgyzstan's interim government, which took power in the wake of Bakiev's ouster, has called on Russia to send peacekeeping troops, but Moscow has said it does not have a mandate to act independently. In Washington, State Department spokesman P.J. Crowley said U.S. officials have been "in very close touch" with the provisional government to "determine what it might need."

He said American officials are also working with the UN, OSCE, and Russia to find "a coordinated, international response to the ongoing violence" and said he was not aware of whether Bishkek had asked Washington for military assistance, as some reports have suggested.

"We have been in touch with the provisional government," Crowley said. "I think Assistant Secretary Bob Blake, while traveling, is reaching out to the provisional government to determine what it might need. I can't say whether the Kyrgyz government has asked us for direct intervention."

He added, "I don't think we're looking at any unilateral steps by the United States at this point."

Tensions Remain High

RFE/RL's correspondent in Jalal-Abad, Rysbai Abraimov, said there are few signs that the crisis is abating.

Midday on June 14, he reported hearing continuous gunfire on two of Jalal-Abad's main streets, as well as around the main offices of the local administration. He also said he saw two restaurant buildings and a private home on fire.

Abraimov reported that a large group of people, mostly young men, had gathered in the city center early on June 14. They accused Kadyrjan Batyrov, a former lawmaker and Uzbek community leader, of instigating violence in the area last month.

There was an armored vehicle and a number of people carrying weapons outside the provincial administration building, Abraimov said, many from areas outside the city of Jalal-Abad, including the Talas and Issyk-Kul provinces.

The Jalal-Abad office in charge of enforcing the curfew (komendatura) told RFE/RL that electricity and gas supplies were cut off in Jalal-Abad to prevent arson attacks in the city. An Uzbek soldier carries a child on the Kyrgyz-Uzbek border. The office said they have received "information from the district of Suzak outside Jalal-Abad that a group of unknown people is trying to provoke local residents, urging them to take to streets." Suzak has a sizable Uzbek minority.

In the meantime, shooting still could be heard in the neighboring city of Osh, site of the deadliest unrest. Most of the victims were killed there, and houses and businesses have been set alight during riots and interethnic clashes since June 11.

Taking Flight

News agencies quoted Uzbek officials as saying some 60,000 refugees from southern Kyrgyzstan were registered in Uzbekistan's Andijon border province, near the Kyrgyz border, a figure that excludes children accompanying their parents.

The French AFP news agency reports that refugees were being placed in camps in different districts of Andijon province. RFE/RL correspondents in southern Kyrgyzstan say most of the refugees are women, children, and the elderly, as men have largely stayed behind to protect their properties.

International Concern

In Luxembourg, the European Union's foreign policy chief, Catherine Ashton, said the EU was "very concerned" about the crisis.

Ethnic Uzbek refugees who fled the violence in Kyrgyzstan wait for their turn to cross the border into Uzbekistan near the village of Jalal-Kuduk on June 14. "It is very, very important to me that we get order restored," Ashton said. "This is a very dangerous and difficult situation there."

In the meantime, Russia is reported to be considering sending military aid for Kyrgyzstan, after initially rejecting a request by interim leader Roza Otunbaeva on June 12. Members of the CSTO met in Moscow to discuss options to restore peace and stability in the impoverished country.

Russian President Dmitry Medvedev said the ethnic clashes needed to be stopped as soon as possible and order restored. Quoted by Russian news agencies, he said "everything possible" should be done "to put an end" to the disturbances.

Son Arrested In Britain

The previous Kyrgyz government was ousted by a popular uprising on April 7 that left more than 80 people dead.

Since then southern Kyrgyzstan – where support for Bakiev has been strongest – has seen frequent riots and unrest.

In a related development, Bakiev's son was arrested in Britain on an Interpol warrant.

The chief of Kyrgyzstan's national security council, Keneshbek Duyichebaev told local television that Maksim Bakiev was held in a "secret operation" on his arrival at Farnborough airport in southern England.

- Ferghana Valley: A Tinderbox For Violence

The violence in Osh has once again put the focus on the Ferghana Valley as one of the potentially most explosive regions of the former Soviet Union. What makes it that way?

The home of cities like Osh and Andijon, the Ferghana Valley is the most densely populated area of Central Asia and the most explosive.

More than 10 million people live in the valley, which covers some 22,000 square kilometers -- comparable in size to Kashmir or the Nile Delta. For millennia, it has been Central Asia's breadbasket, an expanse of river-fed green fields standing out in stark contrast to the dry mountains and plains typical of the region.

But today, far from being an idyllic place, it has become best known for epic-scale violence.

This month's deadly interethnic clashes that have forced an estimated 400,000 Uzbeks and Kyrgyz from their homes in southern Kyrgyzstan is just the most recent example.

In 2005, Uzbek forces opened fire on Uzbek protestors in Andijon, the country's fourth-largest city, killing from several hundred to 1,000 people according to differing estimates.

In 1999, hundreds of Islamic Movement of Uzbekistan guerrillas seized villages in Kyrgyzstan to launch attacks into Uzbekistan before being counterattacked by Kyrgyz forces backed by Uzbek and Kazakh aircraft.

Ethnic Jigsaw

Why is the Ferghana Valley, which is divided in three irregular, jig-saw pieces between Uzbekistan, Kyrgyzstan, and Tajikistan such a hot-spot for violence of all kinds?

Part of the reason is precisely that division, which Josef Stalin ordered in the 1930s. The map-making gave each republic an expanse of fertile land but ignored the fact that much of the valley was a patchwork of ethnicities not easily incorporated into national republics.

The tensions began to surface with the break-up of the Soviet Union and two of its consequences.

One was that all three newly independent republics began stressing their national identities despite having multiethnic enclaves.

The other was that living conditions across the valley plummeted as its agricultural system based on collective farms collapsed, setting off a new competition for livelihoods and resources.

John MacLeod, a Central Asian expert at the London-based Institute for War and Peace Reporting (IWPR) says, "The collective farm was by no means an efficient system, the Soviet system of having large village-sized farms as economic units, but when that was effectively broken up by policy or just by default as things fell apart after the end of the Soviet Union, the farming didn't become more efficient."

"Of course some successful farmers emerged, but the others just didn't have enough land to make a viable living or have their own tractor or their own means to buy seed," MacLeod says.

MacLeod says that in southern Kyrgyzstan this economic dislocation forced many Kyrgyz, who are traditionally farmers and nomads, into cities to look for work. But the economic life of the cities is dominated by Uzbeks, who traditionally have been the valley's merchants.

"Over the decades and particularly, perhaps, since Kyrgyzstan became an independent state, there has been an urbanization of the ethnic Kyrgyz rural population," MacLeod says.

"So, you have a recently rural Kyrgyz population moving into the towns and clearly that creates a competition for urban resources, for employment, for space at the open-air market, for running small businesses, all that kind of thing."

Recently, that competition has only sharpened as the global economic downturn has narrowed the impoverished Ferghana Valley's pressure valve: outmigration of labor. In past years, thousands of valley residents have gone to Russia and Kazakhstan to work as laborers and send back remittances. Now, those opportunities have shrunk and so have the remittances many families depend upon to stay afloat.

The fact that Osh exploded this month, at a time when there is only weak central rule Kyrgyzstan, may be a telling measure of the pent-up socioeconomic pressures.

Matthew Clements, Eurasia Analyst at the Country Risk department of IHS Jane's in London, notes that much the same happened the last time central rule dramatically weakened in Kyrgyzstan. That was in 1990, a year before the Soviet Union dissolved.

Ferghana Valley is deeply religious

"In the period of uncertainty around the collapse of the Soviet Union there was a period of government weakness there, when there was little government oversight and control of the region and these tensions were allowed to become exacerbated and to escalate in the way they did," Clements says.

"And similarly, in this situation we have now -- whereby [Kyrgyzstan's interim] government has been unable to establish its authority over certain areas of the country -- it created a situation whereby there was no possibility of nipping it in the bud when these small-scale clashes broke out on the June 10."

In the Kyrgyz-Uzbek rioting that engulfed Osh in 1990, some 300 people died.

Antigovernment Sentiment

Clements notes that the other two Central Asian countries with a piece of the valley also face pent-up pressures, though the nature of their valley populations and how they deal with them varies.

Highly authoritarian Uzbekistan maintains a massive security presence in its part of the valley to keep the lid on discontent among the overwhelmingly Uzbek inhabitants. Tashkent keeps the minority populations of Kyrgyz and Tajiks that also share the land equally tightly controlled.

By contrast, Clements says, Tajikistan deals with the pressure in its part of the valley, which is mostly inhabited by Uzbeks, by largely staying out of its affairs.

"Tajikistan is a different issue altogether and part of the issue there is that there is very little government control outside of Dushanbe. And due to the geographical nature as well, the Ferghana Valley region of Tajikistan, where many of the Uzbeks do reside, is quite literally cut off from the rest of the country by the mountain ranges," Clements says.

"And I think in some ways this has kind of reduced the Tajik influence in the region and it does kind of prevent in a way some of these tensions from developing."

Nevertheless, all three parts of the Ferghana Valley pose clear dangers for their respective states. Each is poor, has a dangerous current of antigovernment sentiment, is susceptible to radical Islamic movements, and -- as part of the drug-trafficking route from

Afghanistan -- has a significant organized crime presence. And that is without even mentioning the intercommunal tensions now so evident in southern Kyrgyzstan.

Faced with such a tinderbox, the governments of Uzbekistan, Kyrgyzstan, and Tajikistan appear to have developed at least one common understanding, despite their frequent fights over water and energy and other issues; that is, to keep the lid on the box by cooperating in suppressing radicalism but staying out of each others' internal crises, even when their own ethnic kinsmen are endangered.

Dilip Hiro, author of the book "Inside Central Asia," says it is unlikely the current crisis will see Uzbekistan try to safeguard the Uzbek community across the border by moving its own forces into the security vacuum there.

Hiro says these operating rules were underlined when the Collective Security Treaty Organization (CSTO) formulated a response to the crisis earlier this week (June 14).

"The Russian president's statement itself said that if necessary we will send peacekeepers from the CSTO, which has seven countries including Uzbekistan. But they will not go as individual countries on their own," Hiro says.

The CSTO groups all the Central Asia countries, except Turkmenistan, with Russia, Belarus, and Armenia. The group said it will furnish trucks, helicopters, and fuel to Bishkek to transport Kyrgyz forces to the south of the country. But it made it clear that sending peacekeepers -- an act that would only underline Bishkek's own weakness further -- would be the last resort.

- Ex-Russian Foreign Minister Says CSTO Should Intervene In Kyrgyzstan

MOSCOW -- Former Russian Foreign Minister Igor Ivanov says a regional security organization should send peacekeeping troops to intervene in the ethnic conflict in Kyrgyzstan, RFE/RL's Russian Service reports.

Ivanov told RFE/RL that although the clashes in southern Kyrgyzstan between ethnic Uzbeks and Kyrgyz are an internal affair of Kyrgyzstan, the conflict could destabilize all of Central Asia. He added that since the conflict is taking place near Afghanistan, there could be forces there interested in using the crisis for their own purposes.

Ivanov, who was foreign minister from 1998-2004, did not specify which countries in the Collective Security Treaty Organization (CSTO) should send troops.

But he said a decision should be made "as soon as possible, as the situation in Kyrgyzstan can surely affect Russia's security."

At least 124 people have been killed and more than 1,600 wounded in the ongoing clashes between Uzbeks and Kyrgyz in the Osh and Jalal-Abad regions that started late last week. The CSTO -- founded in 2002 -- groups Armenia, Belarus, Kazakhstan, Kyrgyzstan, Russian, Tajikistan, and Uzbekistan and grew out of the framework of the Commonwealth of Independent States. The group held talks in Moscow on June 14 on the crisis. Officials from several CSTO members have stated that Kyrgyz authorities must deal with the issue themselves. Ivanov, 64, left politics in 2007 and is currently a top LUKoil official.

- Bakiev's Son Being Held In Britain, Kyrgyz Officials Say

The son of toppled Kyrgyz President Kurmanbek Bakiev has been arrested in Britain on an Interpol warrant.

The chief of Kyrgyzstan's national security council, Keneshbek Duyichebaev, told local television that Maksim Bakiev was detained in a "secret operation" on his arrival at

Farnborough airport in southern England. Duyichebaev said Maksim Bakiev, 33, wanted to seek asylum in Britain and had flown there in a private aircraft.

Azimbek Beknazarov, an official from Kyrgyzstan's interim government, said Bakiev would be "either extradited or judged" in Britain. In London, a spokesman for the Home Office declined to comment "for data protection reasons." Maksim Bakiev is being investigated by the interim Kyrgyz government for possible corrupt business practices related to fuel supply contracts he handled for a U.S. air base there, a key site for military operations in Afghanistan.

Geo strategic Front

- UN Urges Kyrgyz Government To Act Decisively Amid Turmoil

The United Nations has urged Kyrgyzstan to take "swift and decisive action" to end indiscriminate ethnic killing and to protect people in the southern part of the country near the border with Uzbekistan.

Navi Pillay, UN high commissioner for human rights said killings, including of children, and rapes have been taking place "on the basis of ethnicity" and that the violence "appears to be orchestrated, targeted, and well-planned."

10 Things You Need To Know About Kyrgyzstan's Ethnic Unrest At least 170 people are known to have been killed and more than 1,700 injured in Osh and Jalal-Abad provinces since riots and ethnic clashes began in the area on June 11.

Thousands of ethnic Uzbeks, mostly women, children and the elderly, have crossed the border into Uzbekistan's Andijon border province. UN officials have said the number of ethnic Uzbeks fleeing the violence could exceed 100,000.

Interim Kyrgyz leader Roza Otunbaeva, who took power after a revolt in April that ousted Kurmanbek Bakiev as president, was quoted by Russia's Interfax news agency as saying the real death toll could be "several times" higher than the official numbers.

Bakiev's Hand?

The interim government cabinet on June 15 renewed its accusation that Bakiev supporters had fueled the violence. Bakiev has denied any connection to the unrest.

Deputy leader Almazbek Atambaev said Bakiev's family had financed the violence and might try to incite similar unrest in other regions.

An ethnic Uzbek man in Nariman, near Osh, on June 15 "What happened in Osh was so obviously well-planned, well-produced, and done so well that now we have to expect a provocation in the Chuisky region, in Bishkek," he said. "But we are already prepared for this." Atambaev specifically pointed the finger at Bakiev's son, Maksim, who was arrested on June 14 in Britain after arriving in a small rented plane, reportedly to seek asylum. "The New York Times" quoted Atambaev as saying, "It was a carefully planned operation conducted by the enemies of the interim government. The information available to our special services confirms that all of these measures were funded by the Bakiev family, particularly his youngest son, Maksim Bakiev."

U.S. Diplomatic Visit

In Washington, the State Department announced that the top diplomat for Central Asian affairs, Robert Blake, will travel to Tashkent on June 16 and then to the Ferghana Valley, on the border with Kyrgyzstan.

SLIDE SHOW: Tears At Kyrgyz-Uzbek Border

State Department spokesman P.J. Crowley said Secretary of State Hillary Clinton had asked the U.S. diplomat to "see firsthand the current situation involving individuals who have crossed over the border between Kyrgyzstan and Uzbekistan and evaluate directly the humanitarian situation there."

On June 18, Blake will consult with members of the Kyrgyz interim government in Bishkek.

Otunbaeva warned that more violence could occur in Bishkek and said the interim government is "keeping enough forces in Bishkek and...working to ensure that Bishkek stays under our control."

The riots and ethnic clashes began on June 11 in the southern city of Osh and nearby districts. The conflict soon spread to the neighboring province of Jalal-Abad.

Most of the attacks targeted Uzbek minorities and Uzbek-operated businesses, but there were many deaths and casualties among the Kyrgyz population, as well.

After accepting at least 45,000 refugees along with their children, Uzbekistan closed its border on June 14, citing its inability to cope with such a large influx.

A Kyrgyz soldier mans an armored vehicle in the city of Osh on June 15. The UN has called on Uzbekistan and Tajikistan to keep their borders open for refugees fleeing the Kyrgyz conflict. Reports say hundreds of would-be refugees have massed at the border and are begging to be allowed to leave Kyrgyzstan.

The country has appealed for international humanitarian aid; the UN refugee agency said it was sending enough aid for 75,000 people to Uzbekistan.

Ethnic Hostilities

The concentrated attacks on ethnic Uzbeks led a top official with the Organization for Security and Cooperation in Europe -- OSCE minorities High Commissioner Knut Vollebaek -- to say that there have been "attempts at ethnic cleansing."

And speaking in Bishkek, UN envoy Miroslav Jenca said the underlying cause of the conflict must be addressed before stability can be achieved.

"The ethnic reasons behind this conflict should not be overlooked," she said. "It is therefore very important that these issues are resolved in a way that creates the basis for the stable coexistence of these ethnic groups on Kyrgyz territory."

But deputy interim government head Omurbek Tekebaev, in comments to RFE/RL's Kyrgyz Service on June 15, said statements about ethnic cleansing were "false" and created misunderstandings about the situation in his country.

At one point, local officials in Jalal-Abad said some ethnic Uzbeks and others who fled the violence had been persuaded to return home. The local press office reported that some 2,000 people had returned home to the nearby district of Nookat.

RFE/RL's correspondents say humanitarian aid is being distributed in the area to local residents who have run out of food supplies as shops and markets were closed in recent days.

Alik Orozov, the secretary of Kyrgyzstan's Security Council, said key international organizations have been sending humanitarian aid to the country, but the security situation remains the main challenge to transport it to the south.

"Because of the security situation, all humanitarian cargo we've got is being kept at Manas airport. We have difficulty in sending this cargo to Osh," he said. "We have a

small number of aircraft and they don't manage to transfer all the cargo there. Besides, for fear of snipers, they are afraid of flying to Osh and say security should be provided for them."

- **Pakistani Students Flee Osh; Turkmen Await Assistance**

Pakistani students rescued from Osh arrive in Pakistan on June 15.

A Pakistani air force plane has brought some 130 Pakistani nationals back to their home country from the embattled Kyrgyz city of Osh, while some 350 Turkmen university students are waiting for assistance in leaving the city.

The Pakistanis, mostly students, arrived at an air base south of the Pakistani capital, Islamabad, RFE/RL's Radio Mashaal reports.

An earlier plane with 134 young people arrived at the same air base late on June 14. The Pakistani government says that all the Pakistanis in Osh have now been evacuated.

At least one student from Pakistan was killed during the ethnic violence between Uzbeks and Kyrgyz in Osh over the weekend. His body has also been flown home.

Fahim Khan, one of the evacuated students, arrived in his hometown of Mardan in northwest Pakistan today. He told Radio Mashaal that the Pakistani students in Osh lived with almost no food and water for days.

According to Khan, the violence that broke out in his part of Osh began with a clash between Kyrgyz and Uzbek youths. "The fight started between two gangsters in a casino, a Kyrgyz and an Uzbek," Khan said. "In Osh, Uzbeks fought with Kyrgyz and a lot of people died in that fight [who] were Kyrgyz."

Khan said the police and army did not have enough forces to restore order in Osh.

Meanwhile, the rector of the Osh Technical University, Abdibali Toktomamatov, told RFE/RL today that 350 Turkmen students from different universities are expecting the Turkmen ambassador to escort them from Osh to Turkmenistan via Uzbekistan.

Toktomamatov said he expects the Turkmen students and other international students to return to Osh, "because of course the current situation will revert to normal and we shall create [favorable] conditions for them."

He continued: "We very much hope that they will return because they have started their course of study and they ought to finish it." Many of the remaining Turkmen students were expecting to leave on June 15, but a plane that was to fly them home never arrived.

More than 300 other Turkmen students were flown out of Osh on three separate flights to Ashgabat and Turkmenabat on June 14-15, RFE/RL's Turkmen Service reported. The students had gathered at the Osh airport with other foreign students and were guarded by Kyrgyz soldiers.

One student told RFE/RL that some of the Turkmen students had been injured. The student said they are concerned about their safety and noted that on June 14, there was an explosion at a school near the Osh airport.

The Turkmen authorities have not commented on the flights carrying the students and state media has not reported on the evacuation.

- **Belarus Refuses To Extradite Former Kyrgyz President**

BISHKEK -- Kyrgyz officials say Belarus has officially refused to extradite former Kyrgyz President Kurmanbek Bakiev to Kyrgyzstan, RFE/RL's Kyrgyz Service reports.

Azimbek Beknazarov, a deputy chairman of Kyrgyzstan's interim government, told RFE/RL that Belarusian officials explained their refusal on the grounds that Bishkek's official extradition request was "politically motivated."

Bakiev fled Bishkek on April 7 amid mass protests and has been living in Belarus at the invitation of Belarusian President Alyaksandr Lukashenka since mid-April.

Kyrgyzstan made its extradition request to Belarusian officials in May. Bakiev is wanted in Kyrgyzstan for mass murder in the deaths of more than 80 people during clashes between antigovernment demonstrators and security forces on April 7.

- Dushanbe Rejects Reports Tajiks Involved In Kyrgyz Unrest

DUSHANBE -- The Tajik Foreign Ministry is rejecting allegations that people from Tajikistan have been involved in the ethnic unrest in Kyrgyzstan, RFE/RL's Tajik Service reports.

Foreign Ministry spokesman Davlat Nazri told RFE/RL that the ministry is concerned by the violence in southern Kyrgyzstan that has led to the deaths of more than 120 people and injured some 1,700. He added that Tajikistan is seeking to strengthen its control of the border and wants to help Kyrgyzstan stabilize the situation.

But Nazri said reports in regional online media that Tajiks have been involved in the unrest in the cities of Osh and Jalal-Abad are "completely baseless rumors." He said those reports cannot be confirmed by Tajik security or border forces.

At the same time, some Tajik analysts note that militants belonging to the Islamic Movement of Uzbekistan were in southern Kyrgyzstan in 2000 and again one year later when they unsuccessfully tried to cross from Kyrgyzstan into Uzbekistan after being forced to flee Afghanistan.

- EU Expresses 'Great Concerns' Over Kyrgyz Violence, Pledges Aid

BRUSSELS -- Although not initially on the agenda of the EU foreign ministers' meeting, the situation in Kyrgyzstan forced its way to the top of the bloc's current list of concerns. Speaking after the meeting on June 14, the EU's high representative for foreign policy, Catherine Ashton, said the bloc is watching events in Kyrgyzstan with "great concerns." Three days of violence involving ethnic Kyrgyz and Uzbeks in the south of the country have left at least a hundred people dead and tens of thousands reportedly crossing into neighboring Uzbekistan.

The EU's top diplomat said she has dispatched the EU high representative for Central Asia, Pierre Morel, to the region. Ashton said humanitarian assistance would be the main avenue for EU involvement in the situation in the short term.

"The first priority must now be the humanitarian situation," she said. "We hear that tens of thousands of refugees are fleeing the country to Uzbekistan, and we stand ready to respond to the most urgent humanitarian needs of the affected population."

She called for an end to the violence and restoration of order. In the longer term, Ashton said the EU wants Kyrgyzstan to adopt a democratic constitution and believes that the democratic process remains the country's "best chance for peace and stability."

Iran: 'Continuing Concern'

On Iran, Ashton said Tehran's nuclear program is a "continuing concern" for the EU. She said the ministers fully support UN Security Council Resolution 1929, adopted last week, which imposes a new round of sanctions on Tehran.

Catherine Ashton, the EU's foreign policy chiefThe EU will determine what Ashton described as its own "supporting measures" during a summit in Brussels on June 17.

Ashton said that despite the ratcheting up of sanctions, the offer of negotiations remains on the table.

"I've repeatedly said that I'm ready to meet with the Iranians if they're willing to discuss the key issue, the nuclear issue," she said. "I sent a letter to chief negotiator [Saeed] Jalili, reaffirming the offer of a meeting at the earliest opportunity."

On Gaza, the EU foreign policy chief said Israel must conduct a "credible inquiry" into a raid by Israeli Defense Forces on an aid convoy earlier this month which claimed nine lives. Ashton said the international Quartet's envoy to the Middle East, Tony Blair, told EU ministers in Luxembourg that he now thinks it might be possible to change two key elements of the Israeli blockade of Gaza. First would be to amend Israel's highly restrictive list of allowed items to a list of prohibited items, such as weapons. The other would involve opening border crossings to allow "a semblance of normal life" to return to Gaza.

Over lunch, the EU ministers met prosecutor Serge Brammertz, of the International Criminal Tribunal for the Former Yugoslavia. Following Brammertz' assurance that Serbia maintains good cooperation with the international tribunal, the ministers approved the submission of the EU's Stabilization and Association Agreement (SAA) for ratification by the bloc.

An SAA is an essential stepping stone toward EU membership.

Ashton said the ministers also briefly discussed Macedonia, whose name -- contested by Greece -- remains an obstacle on the country's path to both the EU and NATO.

Reflecting the EU's unwillingness to collectively get involved in the issue, Ashton remained noncommittal, saying only, "We wish [Macedonia] well and hope for a quick solution which will help us move forward."

- Sphere Of Reluctance: Russia Hesitant About Kyrgyz Intervention

A billboard in southern Kyrgyzstan, where the ethnic violence has killed at least 170 people and injured many hundreds more, shows Russian President Dmitry Medvedev with the now-deposed Kyrgyz leader Kurmanbek Bakiev in April 2010.

Be careful what you wish for.

Russia has long tried to claim the former Soviet space as a "sphere of influence," a privileged zone of responsibility where Moscow was free to act to keep the peace and preserve its interests.

But when ethnic violence erupted in southern Kyrgyzstan last week, pushing the country to the brink of civil war, Bishkek pleaded for Russian assistance. Moscow, however, was reluctant to act.

President Dmitry Medvedev immediately ruled out any unilateral Russian intervention and instead convened an emergency meeting of the Collective Security Treaty Organization (CSTO), a seven-member alliance of former Soviet states, to try to agree on a multilateral response.

FAQ on the Kyrgyz unrest

The United States is also calling for multilateral action, but Washington and the rest of the international community appear more than willing to let Russia take the lead. The situation, analysts say, creates both an opportunity and a challenge for the Kremlin.

"It is a de facto recognition that nobody else is capable of acting [to stabilize Kyrgyzstan]. For Russia this is a very serious test," says Fyodor Lukyanov, editor in chief of the Moscow-based journal "Russia in Global Affairs." "We wanted responsibility and influence. OK. So let's go."

Russia's reluctance, analysts say, is understandable. The conflict, in which gangs of ethnic Kyrgyz have been attacking ethnic Uzbeks, has left at least 170 dead and more than 1,700 wounded. It has also sparked a humanitarian crisis as tens of thousands of refugees have streamed to the Uzbek border to escape the violence. International officials have alleged premeditation and even "attempts at ethnic cleansing."

Any intervention by outside forces could easily turn into a quagmire.

"Look at the situation on the ground; the Kyrgyz authorities have lost control," says Paul Quinn-Judge, the Bishkek-based director of the International Crisis Group's Central Asia Program. "At the very least, the security forces in the south, quite often -- but not always, of course -- are not trying very hard to restore law and order. In some cases we believe -- and we are being told increasingly -- that local security forces may be participating in the pogrom.

"You've got a conflict without borders. You've got a conflict without uniforms. I can imagine any Russian general looking at this and responding with something very short and very rude."

The Limits Of Power

Like Russia's 2008 war with Georgia over the pro-Moscow separatist region of South Ossetia, the crisis in Kyrgyzstan is emerging as a watershed moment in Moscow's relations with its former Soviet vassals.

But while the war in Georgia sent a loud and clear message that Russia is prepared to unilaterally use force against its neighbors to achieve its objectives in the region, the Kyrgyz conflict appears to be demonstrating the limits of Moscow's power.

And while the invasion of Georgia had Cold War undertones, pitting a resurgent Russia against a close U.S. ally, the crisis in Kyrgyzstan is highlighting a new spirit of cooperation between Moscow and Washington -- both of which have military bases and vital interests in the small but strategically important Central Asian country.

Russia wants to prevent chaos in its backyard, analysts say, while the United States wants to assure that its mission in Afghanistan, which is supplied via the Manas military base in Kyrgyzstan, is not disrupted. Both have an interest in the situation stabilizing.

"I don't see any competition at all [between Russia and the United States in Kyrgyzstan]," Lukyanov says. "This is a change. But to start competing in this situation would be crazy. It would be suicide and everybody understands this."

A refugee camp for ethnic Uzbeks in the village of Yorkishlak, across the border from Kyrgyzstan White House spokesman Bill Burton told reporters on June 14 that President Barack Obama has been briefed regularly about the crisis and that U.S. officials "have been in close contact with officials in the region and of course with our counterparts in Russia to make sure we are as up to date as possible."

At a briefing in Washington the same day, State Department spokesman P.J. Crowley said the United States is working to expedite humanitarian aid to the region and to coordinate any security response with Moscow.

"We are maintaining very close touch with the provisional government of the Kyrgyz Republic, the UN, OSCE, and the Russian Federation as we seek a coordinated, international response to the ongoing violence there," Crowley said.

Washington has no plans to send peacekeeping troops, but the Obama administration says it wants to ensure that any international intervention has the blessing of the United Nations.

Conflict And Cooperation

Until recently, Moscow and Washington jockeyed for influence in Kyrgyzstan. But they began to cooperate more closely after the overthrow of President Kurmanbek Bakiev following a popular uprising in April. Both are concerned about the stability of the provisional government that came to power after Bakiev's ouster.

"Until everything blew up in the south, the Russians and the Americans thought they were pretty much on the same page with regard to Kyrgyzstan," Quinn-Judge says. "Both shared a sense of bafflement and a certain sense of skepticism about the country's future and viability."

With Washington and Moscow's interests overlapping in Kyrgyzstan, can the crisis lead to a deepening of the cooperation that was set in motion by Obama's move to reset U.S.-Russian relations?

"It's hard for me to see this spinning out in a way where it becomes a point of contention between Washington and Moscow," says Steven Pifer, a former U.S. State Department official who is now a senior fellow at the Brookings Institution. "But will it become something where they work together so at the end of the day they can say this was a success for [the] reset, where we cooperated and feel good about it? I'm not sure you can predict that either."

"I think at this point, the risk is not high that it will do damage to Russian-American relations. But it is yet an unknown whether it could be a positive piece on the U.S.-Russian agenda."

The Perils Of Peacekeeping

The situation on the ground in Kyrgyzstan would make any intervention complicated. In addition to the long-standing tensions between ethnic Kyrgyz and Uzbeks, the crisis has also been stoked by the country's complicated clan politics and ongoing animosity between the interim government and supporters of Bakiev, who is in exile in Belarus.

Kyrgyz officials accuse Bakiev, who enjoys support in the country's south, of provoking the violence. Bakiev denies the allegation.

Moreover, the CSTO, which is designed to protect its members from outside threats, is ill equipped for peacekeeping missions.

"The capabilities of the CSTO peacekeeping forces are much lower those that of NATO, which is currently operating in Afghanistan," Viktor Litovkin, a Moscow-based defense analyst, tells RFE/RL's Russian Service. "And as we know, NATO isn't able to do everything it wants to do in Afghanistan."

In June 1990, Moscow was forced to send thousands of troops to southern Kyrgyzstan, then part of the Soviet Union, to quell similar unrest between ethnic Kyrgyz and Uzbeks that began with a water dispute.

In order for Russia to mount an effective peacekeeping mission in Kyrgyzstan, analysts say Moscow will need at least the tacit support of the key countries in the region -- support which may not be easy to secure.

"Russia needs to get the agreement of neighboring countries, most importantly Kazakhstan and Uzbekistan," Lukyanov says. "These countries understand the need to

stop the chaos in Kyrgyzstan. But on the other hand, they are afraid to establish a precedent for [Russian] intervention in their own internal affairs."

Kazakhstan has said it would accept refugees and give humanitarian aid but has thus far been silent on whether it would support military intervention by Russia. In the end, analysts say, Russia will probably have no choice but to act.

"I think that in the end Russia will intervene," Lukyanov says. "But now they are working to make sure they don't find themselves not just in the middle of a civil war, but in a war between two states. Imagine a situation where there is no agreement with Uzbekistan, and Russian troops end up between cross fire between Uzbeks and Kyrgyz."

- **Russian-Led Security Group Says No Peacekeepers For Kyrgyzstan**

Russian-led Collective Security Treaty Organization (CSTO) says it will not deploy peacekeepers to Kyrgyzstan but may send security "specialists."

CSTO Secretary-General Nikolai Bordyuzha provided no further details about what he called security "specialists" but suggested they could be used to track down those behind the five days of clashes between majority Kyrgyz and ethnic Uzbeks that has killed a confirmed 191 people and injured many hundreds of others.

Kyrgyzstan's interim leader, Roza Otunbaeva, appealed last week to Russia for military assistance to bring the ethnic fighting in the south of the country under control.

The CSTO's members are Russia, Belarus, Armenia, Kazakhstan, Kyrgyzstan, Tajikistan, and Uzbekistan.

- **Tajikistan Asks Kyrgyz Officials To Explain 'Tajik Involvement' In Unrest**

DUSHANBE -- Tajikistan's National Security Committee has sent a letter to the Kyrgyz interim government asking it to explain media reports that say Tajik citizens are involved in the violence in southern Kyrgyzstan, RFE/RL's Tajik Service reports.

Tajikistan's parliament tasked the country's National Security Committee with sending the letter.

Kubat Baibolov, Kyrgyzstan's deputy security minister and the commandant of the southern city of Jalal-Abad, was quoted by Russia's ITAR-TASS as saying the conflict between ethnic Uzbeks and Kyrgyz in Jalal-Abad and Osh was ignited by a group of Tajiks hired by relatives of ousted President Kurmanbek Bakiev who killed Uzbeks and Kyrgyz in order to provoke the ethnic unrest.

But Baibolov told RFE/RL in an interview on June 16 that the ITAR-TASS report is untrue. He said despite some information that citizens of a third country had operated among the gangs that attacked Kyrgyz and Uzbeks, there is no evidence about their nationality. He added that he never said they were Tajiks.

Similar to the ITAR-TASS report, Ekho Moskvyy radio station correspondent Arkady Dubnov reported on June 15 that some former fighters from the 1992-97 Tajik civil war were hired through the Tajik Embassy in Moscow to destabilize the situation in Kyrgyzstan.

The Tajik Foreign Ministry issued a statement on June 15 calling the reports about the participation of Tajik citizens in the unrest "baseless,"

adding that "the people who are involved in these inhuman activities in Osh and Jalal-Abad have no nationality and country of origin."

The ministry expressed the hope that Kyrgyz authorities will reject such "unfriendly" statements.

Economic/Energy Front

Social Front

- **Pakistani Student Killed In Kyrgyzstan**

Pakistani officials say that one of their country's citizens, a student, has reportedly been killed and 15 others taken hostage in Kyrgyzstan's volatile south.

Pakistani Foreign Minister Shah Mehmood Qureshi said today authorities are working to confirm the reports.

At least 84 people have been killed and 1,000 injured since ethnic riots began on the night of June 10 in the southern Kyrgyz cities of Osh and Jalal-Abad.

Pakistan says there are at least 1,200 Pakistanis living in Kyrgyzstan, many of them students.

- **Premier English Soccer Club Denies Links To Maksim Bakiev**

On mentioning the name of Maksim Bakiev, the former Kyrgyz president's wayward son, it's often mentioned that he's a part owner of Blackpool Football Club (FC), a small seaside team that this year was promoted to the top flight of English soccer, the Premier League. After lurking in the lower divisions for the last 40 years, Blackpool have had a meteoric rise of late, climbing four divisions in eight years.

The money man behind Blackpool's success is Valery Belokon, a Latvian businessman with his fingers in lots of post-Soviet pies. In 2006, Belokon invested 4.5 million pounds (\$6.7 million) through his VB Football Assets company to buy a 20 percent stake in the club. How much money he has poured in since then is unknown.

With Bakiev junior arrested this week in England and amid widespread speculation that the Bakiev clan has had some role in the recent ethnic tensions in southern Kyrgyzstan, Blackpool FC have gone on the record to deny Bakiev's involvement with the club. (I have contacted the club twice with questions about Bakiev's involvement with Blackpool, but have not yet received a response.)

- **More Than Half Of Osh Citizens Have Left The City**

OSH, Kyrgyzstan -- About 60 percent of the nearly 250,000 citizens of the southern Kyrgyz city of Osh have left the city since ethnic clashes began last week, RFE/RL's Kyrgyz Service reports.

Osh Oblast Deputy Governor Taalai Zikirov told RFE/RL that the majority of the city's population has fled to nearby villages, making it difficult to deliver humanitarian aid to them.

Tens of thousands of ethnic Uzbek residents of Osh and Jalal-Abad fled to neighboring Uzbekistan in the wake of the violent clashes between ethnic Uzbeks and Kyrgyz. Many of them are still caught at the border without shelter and with little food or water.

Meanwhile, thousands of ethnic Kyrgyz found refuge in villages near the two cities. Official figures put the death toll at around 190 people, with nearly 2,000 more injured in the unrest.

Azimbek Beknazarov, the deputy chairman of Kyrgyzstan's interim government, told journalists in Bishkek today that 26 people have been arrested as suspects in organizing the clashes. Beknazarov stated that Kyrgyz authorities would continue to demand the extradition from Britain of Maksim Bakiev, the son of ousted President Kurmanbek Bakiev who was detained on June 14.

Maksim Bakiev is wanted in Kyrgyzstan for alleged embezzlement and for financing the groups that provoked the mass unrest. Beknazarov said if Britain refuses to extradite Bakiev, the U.S. military base near Bishkek might be shut down.

- **Ethnic Tatars, Bashkirs Want To Leave Osh**

OSH, Kyrgyzstan -- Ethnic Tatars and Bashkirs living in the city of Osh in southern Kyrgyzstan are desperate to leave the city, where clashes between ethnic Uzbeks and Kyrgyz have left around 190 dead and about 2,000 wounded, RFE/RL's Tatar-Bashkir Service reports.

One of the leaders of the Tatar community in Osh, Ravila Akhmerova, told RFE/RL by phone that ethnic Tatars and Bashkirs are trying to leave Osh.

She said at least 80 of the city's 4,300 ethnic Tatars and Bashkirs were airlifted to Russia this week. She also said it is very dangerous to venture out into the street because of continued gunfire. Akhmerova said that although neither side appears deliberately to be targeting Tatars or Bashkirs, snipers are shooting indiscriminately from a distance.

Akhmerova added that some Tatars living in predominantly ethnic Uzbek-populated districts of Osh had to leave the city for Uzbekistan together with the ethnic Uzbeks. She told RFE/RL that she personally wants to find a way with the help of the World Tatar Congress to leave her native city for any destination.

Tens of thousands of ethnic Uzbek residents of the southern Kyrgyz cities of Osh and Jalal-Abad have fled to neighboring Uzbekistan in the wake of the violent clashes between ethnic Uzbeks and Kyrgyz over the past week. Students from China, Pakistan, and Turkmenistan have also been evacuated.

Tajikistan

Political Front

Geo strategic Front

- **Tajikistan Asks Kyrgyz Officials To Explain 'Tajik Involvement' In Unrest**

DUSHANBE -- Tajikistan's National Security Committee has sent a letter to the Kyrgyz interim government asking it to explain media reports that say Tajik citizens are involved in the violence in southern Kyrgyzstan, RFE/RL's Tajik Service reports.

Tajikistan's parliament tasked the country's National Security Committee with sending the letter.

Kubat Baibolov, Kyrgyzstan's deputy security minister and the commandant of the southern city of Jalal-Abad, was quoted by Russia's ITAR-TASS as saying the conflict between ethnic Uzbeks and Kyrgyz in Jalal-Abad and Osh was ignited by a group of Tajiks hired by relatives of ousted President Kurmanbek Bakiev who killed Uzbeks and Kyrgyz in order to provoke the ethnic unrest.

But Baibolov told RFE/RL in an interview on June 16 that the ITAR-TASS report is untrue. He said despite some information that citizens of a third country had operated among the gangs that attacked Kyrgyz and Uzbeks, there is no evidence about their nationality. He added that he never said they were Tajiks.

Similar to the ITAR-TASS report, Ekho Moskvyy radio station correspondent Arkady Dubnov reported on June 15 that some former fighters from the 1992-97 Tajik civil war

were hired through the Tajik Embassy in Moscow to destabilize the situation in Kyrgyzstan.

The Tajik Foreign Ministry issued a statement on June 15 calling the reports about the participation of Tajik citizens in the unrest "baseless,"

adding that "the people who are involved in these inhuman activities in Osh and Jalal-Abad have no nationality and country of origin."

The ministry expressed the hope that Kyrgyz authorities will reject such "unfriendly" statements.

- Emomali Rahmon heads to China

Dushanbe. June 16. "Asia-Plus" -- Tomorrow, June 17, Tajikistan President Emomali Rahmon will start his three-day working visit to Sinjan-Uigur autonomous district of the People's Republic of China.

In the course of his visit, Tajik President will meet with senior officials of the district and will pay visit to Urumchi and Kashgar cities, Tajik Foreign Ministry told the AP. President Rahmon will also take part in the business forum of Tajik-Chinese businessmen and in a ceremony of signing of cooperation agreement between Tajikistan and Sinjan-Uigur district of China. The document provides for cooperation in such spheres as economy, energy, construction of roads and communications. According to Tajik Foreign Ministry, President Rahmon will be accompanied by members of the Tajik government, President's office and a group of businessmen and bankers.

- Rahmon, Medvedev agree to meet in Sochi

Dushanbe. June 14. "Asia-Plus" -- In the course of his official visit to Uzbekistan's capital of Tashkent Tajikistan President Emomali Rahmon met with his Russian counterpart Dmitry Medvedev, President's press service reported.

The sides have discussed current condition of Tajik-Russian cooperation and talked about the perspectives of further development of bilateral cooperation.

Tajikistan President and his Russian colleague have agreed to discuss the details of bilateral cooperation in Sochi.

- Emomali Rahmon heads to China

Dushanbe. June 16. "Asia-Plus" -- Tomorrow, June 17, Tajikistan President Emomali Rahmon will start his three-day working visit to Sinjan-Uigur autonomous district of the People's Republic of China.

In the course of his visit, Tajik President will meet with senior officials of the district and will pay visit to Urumchi and Kashgar cities, Tajik Foreign Ministry told the AP. President Rahmon will also take part in the business forum of Tajik-Chinese businessmen and in a ceremony of signing of cooperation agreement between Tajikistan and Sinjan-Uigur district of China. The document provides for cooperation in such spheres as economy, energy, construction of roads and communications.

According to Tajik Foreign Ministry, President Rahmon will be accompanied by members of the Tajik government, President's office and a group of businessmen and bankers.

- Uzbekistan Wants To Close Rail Link To Tajikistan

DUSHANBE -- The Uzbek state railroad company has sent a letter to Tajik authorities notifying them that it wants to close a 44-kilometer stretch of railroad connecting the two countries, RFE/RL's Tajik Service reports.

There are three separate rail links between the two countries. Uzbekistan wants to close the southernmost, which runs from the Uzbek city of Termez to Tajikistan's Khatlon Province. Officials say the route is not economically viable and their country can no longer afford to maintain it.

Tajik authorities agreed that the route is not profitable, but they object to its closure. "We prefer to keep it open and will probably assume responsibility for its maintenance," said Andrei Tropin, the deputy director of Tajikistan's state railroad.

Tropin said he does not understand why Uzbekistan wants to close the railway link at the same time that it blames the holdup of hundreds of freight cars bound for Tajikistan on the limited capacity of the railroad network.

Tajik officials say the so-called railroad war between the two countries broke out because of Uzbekistan's opposition to Tajik plans to build the Roghun hydropower plant. Tashkent fears that the plant will drastically reduce the amount of water into Uzbekistan and thus enable Dushanbe to exert leverage on the Uzbek government.

Economic/Energy Front

Social Front

- Tajikistan Sends Humanitarian Aid To Kyrgyzstan

DUSHANBE -- The Tajik government has dispatched an aid caravan to the Kyrgyz city of Jalal-Abad to help people suffering from the ethnic unrest in that southern region, RFE/RL's Tajik Service reports.

Mukhtor Abdulloh, a regional government spokesman in Tajikistan's northern Sughd Province, said the aid comprises 180 tons of flour, rice, pasta, and vegetable oil and 10 tons of diesel fuel.

Tajikistan has also decided to reopen an old transit road from Kyrgyzstan to Uzbekistan via the Tajik district of Konibodom for ethnic Uzbek refugees from Kyrgyzstan who want to go to Uzbekistan.

Meanwhile, some 60 Tajik students at Batken State University in southern Kyrgyzstan have been temporarily evacuated to Tajikistan.

The Tajik authorities have denied reports that some Uzbek refugees have entered Tajik territory. They say border controls have been strengthened due to the violence between Kyrgyz and Uzbeks.

Turkmenistan

Political Front

Geo strategic Front

- U.S. Official Notes 'Some' Rights Progress In Turkmenistan

ASHGABAT -- A top U.S. official has told RFE/RL's Turkmen Service that Ashgabat has made some progress in human rights but still has a "lot of areas" where improvement is needed.

Assistant Secretary of State Robert Blake made the remarks during a visit to the Turkmen capital to inaugurate the first annual bilateral consultations with the Turkmen government.

Blake said his talks with President Gurbanguly Berdymukhammedov covered security cooperation, energy, and economic cooperation, as well as human rights.

"We had a very good discussion about the human rights situation in Turkmenistan," Blake said. "The United States recognized that Turkmenistan has made some progress in areas such as the registration of the Catholic Church, and the new amendments to the criminal code that provide, for instance, for new penalties against those who engage in trafficking in persons."

But further progress is needed, Blake said, adding that he had discussed ways that the United States can help Turkmenistan improve its rights record.

Blake is due in Uzbekistan today, before heading to Kyrgyzstan to assess the situation there following days of ethnic violence in the south. More than 170 people have been killed and tens of thousands of ethnic Uzbeks have fled the violence.

- Turkmenistan, United States begin bilateral political consultations

The first round of the bilateral Turkmen-American political consultations started in Ashgabat on June 14. The U.S. Government delegation headed by Assistant Secretary of State Robert Blake arrived in the Turkmen capital to participate in the consultations. The Turkmen Government delegation is headed by the Deputy Prime Minister, Foreign Minister Rashid Meredov.

As the Turkmenistan.ru correspondent reports from Ashgabat quoting the press service of the Turkmen Foreign Ministry, the sides will consult on the most topical issues of bilateral relations and international politics. Particular attention will be paid to the establishment of effective partnerships, use of the sides' potential to address urgent problems - both in terms of bilateral cooperation, and in the context of global and regional processes, the Foreign Ministry stressed.

It should be recall that an agreement on the establishment of such a mechanism of bilateral cooperation was reached during the meeting between President of Turkmenistan Gurbanguly Berdimuhamedov and US Secretary of State Hillary Clinton in New York in September 2009.

During the visit, the American government delegation will also attend the opening of the Turkmen-American Business Forum and visit the national tourist zone "Avaza" to attend the presentation of future projects and familiarize with new spa facilities.

- President of Turkmenistan attends SCO summit in Tashkent

On June 11, Turkmen President Gurbanguly Berdimuhamedov made a working visit to Tashkent, where on the invitation of the heads of the Shanghai Cooperation Organization he participated in the SCO summit as a guest of honor.

The forum's agenda included issues such as cooperation in strengthening security in the Eurasian space, situation in Afghanistan, joint struggle against terrorism, extremism, organized crime and drug trafficking, partnership in economic, energy, transport and communications, telecommunications and high-tech spheres, humanitarian and cultural cooperation.

Speaking at the meeting, President Gurbanguly Berdimuhamedov noted that Turkmenistan, taking into account its neutral status, treats with respect and takes interest in a fruitful exchange of views on the issues discussed and decisions taken at the summit. At the same time, the Turkmen leader stressed the commitment of Turkmenistan to its foreign policy aimed at strategic partnership for global peace, progress and creative development of all States and well-respected international organizations, including the Shanghai Cooperation Organization.

"Being deeply interested in establishing reliable guarantees of universal peace and security, Turkmenistan considers the strengthening of stability in Central Asian and Caspian regions, and of course in Afghanistan as one of the main priorities," said the Turkmen leader. Emphasizing that Turkmenistan was in favor of peaceful settlement in Afghanistan, which means the development of new political and diplomatic mechanisms for resolving the Afghan problems, President Gurbanguly Berdimuhamedov expressed Turkmenistan's willingness to "provide the political space for the UN-sponsored intra-Afghan peace talks, as well as necessary conditions for such a process."

- Turkmen, Chinese leaders hold talks in Tashkent

President of Turkmenistan Gurbanguly Berdimuhamedov, who arrived in the capital of the Republic of Uzbekistan to attend the summit of the Shanghai Organization of Cooperation (SOC), has met with President Hu Jintao of the People's Republic of China on June 11.

During the talks, the Turkmen and Chinese leaders exchanged views on the key aspects of the Turkmen-Chinese cooperation, having confirmed the sides' mutual interest in the further build-up of the economic partnership, which has enormous potential and prospects. Interaction in the fuel and energy sector became a separate topic of discussion, the Turkmen State News Agency (TDH) reports.

Economic/Energy Front

- First American Business Mission To Turkmenistan Begins

WASHINGTON -- A group of U.S. businessmen was due in Turkmenistan today for the start of the first official American business mission to that Central Asian country, RFE/RL's Central Newsroom reports.

The three-day mission on June 14-16 will explore investment and trade opportunities, especially in the agri-business, aerospace, technology, infrastructure, and energy fields. There will be more than 40 delegates, representing roughly a dozen American companies. "When you look at Turkmenistan today, there is really not much of a true corporate business community, and entrepreneurship and those types of things are not really developed," the head of the U.S.-Turkmen Business Council, Eric Stewart, told RFE/RL. "[So] being able to work with some of the large multinational companies that are experienced in doing business all over the world is a great opportunity for the Turkmen society and the Chamber of Commerce in Turkmenistan and some of the businesses as they begin to develop -- so they [really] understand the American way of doing business." RFE/RL asked Stewart whether the American business delegation plans to raise with their hosts the issue of Turkmenistan's human rights record. The Central Asian country has been widely criticized for its rights record and lack of a free press.

Stewart said the mission does not plan to formally raise these issues. He told RFE/RL that this is the role of the U.S. State Department, not of the business community.

- Ashgabat hosts Turkmen-American Business Forum

Issues relating to development of the mutually beneficial Turkmen-American cooperation were put on the agenda of the fourth joint business forum, which took place at "Parakhat" (Peace) Center in Ashgabat on June 16. The forum was organized by the Chamber of Commerce and Industry of Turkmenistan and the US-Turkmen Business Council (U.S.). The meeting was attended by a delegation of the U.S. government, which arrived in the Turkmen capital to participate in bilateral political consultations and the work of the

business forum. The delegation also included an impressive team of major U.S. companies such as Boeing, Exxon Mobil, ConocoPhillips, Chevron, Case New Holland, International SA, John Deere, Caterpillar, General Electric, Honeywell International Inc and etc. The Turkmen side was represented by members of the Government, heads of ministries and departments, the Union of Industrialists and Entrepreneurs.

Opening the forum, the U.S. Assistant Secretary of State for South and Central Asia Robert Blake noted the success of the Turkmen-American political consultations held on the eve of the forum. The forum participants noted the mutual interest of the sides in the further development of economic cooperation in a wide range of spheres, including textile and food industries, chemical industry, agriculture and tourism.

The prospects of the Turkmen-American cooperation were also discussed in the format of bilateral meetings between U.S. officials and line ministries and departments of Turkmenistan, the State News Agency of Turkmenistan (TDH) said.

- Turkmenistan and Iran sign agreement for additional gas supplies

On June 16, Turkmen President Gurbanguly Berdimuhamedov received Minister of Petroleum of the Islamic Republic of Iran Seyed Masoud Mir-Kazemi and Deputy Minister of Petroleum of Iran, Executive Director of the National Iranian Gas Company Jawad Oudzhi.

As the Turkmenistan.ru correspondent reports from Ashgabat quoting the press service of the head of state, "during the meeting the sides confirmed willingness of both Turkmenistan and Iran to continue the dialogue, meeting the sides' interest, above all in the oil and gas sphere. In this context, a number of issues related to supplies of Turkmen gas to Iran were discussed, the press-service said.

On the same day, Executive Director of the National Iranian Gas Company Javad Oudzhi held talks at Turkmengaz state concern. Following the talks, the sides signed a supplementary agreement to the existing contract for the supply of Turkmen gas to the neighboring country.

Under the agreement, additional volumes of natural gas will be exported to Iran via the recently commissioned second gas pipeline Dovletabat - Sarakhs - Hangeran. To this end, the document provides for joint work at a level of experts of the two countries to draft a contract for additional sale of Turkmen gas with the prospect of further increasing of these volumes.

- President of Turkmenistan receives heads of major U.S. companies

On June 16, Turkmen President Gurbanguly Berdimuhamedov received in his Ashgabat's "Serdar" residence a number of heads of major American companies participating in the Turkmen-American Business Forum in Ashgabat.

As the Turkmenistan.ru correspondent reports from Ashgabat with reference to the press service of the head of state, in the course of the meeting President Gurbanguly Berdimuhamedov discussed long-term cooperation projects with vice presidents, managers and executive directors of such companies as "Boeing", "General Electric", "John Deere", "Case", "Exxon Mobil", "Caterpillar", "Chevron", "Honeywell International Inc", "ConocoPhillips".

The president said that "for many years, these companies have been reliable partners, participating actively in the implementation of key national projects, and today there are good prospects for the continuation of mutually beneficial cooperation."

Managers of U.S. companies reported to the head of state about the progress of joint projects entrusted to them, and made a number of proposals for the further expansion of cooperation, including trainings of staff for various sectors of Turkmenistan's economy.

- Turkmenistan discovers new natural gas field - Aigary

The successful testing of a deep exploration well in the perspective structure Aigary located in Hodzhambaz district of Lebap province was crowned with the discovery of a new gas field, the State News Agency of Turkmenistan (TDH) reports.

The field has produced the commercial flow of natural gas. It is part of the contract area Bagtyarlyk located on the right bank of the Amu Darya river. The field is being developed by the leading specialists of China's "National Petroleum Corporation International (Turkmenistan)" in accordance with the Production Sharing Agreement signed with the State Agency for Management and Use of Hydrocarbon Resources under the President of Turkmenistan.

According to the agency, following the results of measurements carried out by a volumetric method, the preliminary estimate of reserves of Agary field is around 73 billion cubic meters of gas. The results of estimates of gas reserves suggest that this structure belongs to the category of major gas fields. It is another evidence of the abundance of hydrocarbon resources on the right bank of the Amu Darya river, TDH said.

Social Front

Uzbekistan

Political Front

- The Demise Of Uzbekistan's Cash Cow Zeromax

It's a complicated game trying to figure out why a country would shut down its largest private-sector employer, whose tentacles reach across a broad spectrum of industries and is a key source of foreign investment and income.

In the case of Uzbekistan's largest private conglomerate, Zeromax, whose activities were stopped and assets seized in May, the obvious question is: Who would stand to benefit from such a move? And while observers are divided on that question, they can agree on one thing -- politics are behind the recent shutdown of the Swiss-registered company, involved in everything from oil and gas to agriculture, textiles, construction, mining, and logistics.

"In a country like Uzbekistan, a business company of that scale would not be able to operate or be closed down without the involvement of very powerful leaders," says Artyom Ulunyan, a political analyst from the Institute of World History in Moscow. He goes on to stress: "The highest-ranked political leaders."

20-Year Rule

In Uzbekistan, they don't rank any higher than President Islam Karimov, who has ruled the country with an authoritarian hand for over 20 years. And among his inner circle, none comes closer than his fashionable eldest daughter, Gulnora Karimova, who is widely reputed to have close ties to Zeromax and who some have suggested is a possible successor to her aging father's seat in office.

Working from the assumption that Karimova does, in fact, have ties to Zeromax -- she has never publicly acknowledged any such connections -- it would appear odd to suggest

that a government overseen by her father would shut down the very company to which her estimated worth of \$570 million is frequently tied.

This topic has fueled immense speculation. Among the popular suggestions are that the president shut down Zeromax following pressure by powerful allies, allegedly displeased with Gulnora Karimova's growing wealth and her own purported political ambitions.

Then there is the theory that Zeromax's demise is a telling sign of an internal political struggle in which Prime Minister Shavkat Mirziyayev has gained the upper hand as a possible successor to the 72-year-old president.

And there has been talk of Moscow's possible hand -- or at least advice -- in the decision that ultimately led to Zeromax's closure.

But there is another scenario -- that the fall of Zeromax might be all about the presidential family's continued rise well after Karimov's eventual departure. This theory revolves around the fact that Zeromax's shutdown comes just months after Karimov's much-publicized vow in late 2009 to stamp out corruption, claiming there were no oligarchs in Uzbekistan. If there was any need for an excuse to expedite the effort, it could be found in neighboring Kyrgyzstan, where angst over nepotism and government corruption led to the ouster of President Kurmanbek Bakiev in April, just days before Zeromax was shuttered.

Might it be, as an idea being generated in the rumor mill suggests, that the president decided that Zeromax outgrew its usefulness for the first family and that its continued existence could only damage the reputation of the family, particularly that of Gulnora Karimova? And if the connection of the family's fortune could in any way be the undoing of the family's political future, might the best way to secure the family legacy be to separate the two and start an image makeover?

Daniel Kimmage, a Washington-based independent expert, acknowledges that there "appears to be some shift under way for the public role of President Karimov's daughter." However, he adds, "It is difficult to say to which direction."

Uzbek Monolith

Since its creation in 2001, the Swiss-registered Zeromax rapidly took control of almost all of key businesses and economic spheres in Uzbekistan. And with Zeromax linked to her name, Karimova has reportedly made enemies both among local businessmen squeezed out of the markets absorbed by Zeromax, as well as among political elites unhappy with Karimova's rumored presidential ambitions.

With Zeromax out of the picture, Gulnora -- who is currently Uzbekistan's ambassador in Spain -- would stand a better chance of being seen as a diplomat engaged in numerous charitable activities.

"Six months from now or a year from now, Zeromax is just a distant memory and Gulnora Karimova is exclusively devoted to humanitarian and diplomatic activities in Europe. This is a different image for her. This is a different platform," Kimmage says.

Zeromax was based in Switzerland

Experts say the Karimov family is keeping all options open in regard to the succession issue.

They suggest at this point the president is seeking a guarantee for his family after his exit from the political arena.

Comparisons have been drawn between Karimov and the former Russian President Boris Yeltsin, who brought Vladimir Putin in as his successor after reportedly securing a guarantee for the Yeltsin family and their business interests.

"It is entirely possible that what we are seeing is a shift to a different role for Gulnora Karimova, not as a potential successor to her father but as a guardian of the family's interests and, perhaps, a guardian of those interests outside Uzbekistan," Kimmage says.

Eric McGlinchey, an expert on international affairs at George Mason University, says given the complex political, cultural, and religious nature of Uzbekistan, "it is hard to imagine Gulnora Karimova as a successor to the presidency."

McGlinchey also casts doubt on the widespread suggestions that Karimov has been seriously grooming his eldest daughter as his successor.

"If you look at the positions that [Gulnora] has held, these are not exactly positions that would be the best apprenticeship for being president to Uzbekistan," McGlinchey says.

"Typically, when people hold diplomatic posts abroad, that's because the president wants to get them out of the country. When we saw Rakhat [Aliev, the former son-in-law of Kazakh President Nursultan Nazarbaev] go up to Europe, that's because Nazarbaev didn't want Rakhat around anymore."

As for any dividing up of Zeromax's financial assets -- assuming that the company was a wellspring of the presidential family's wealth -- McGlinchey suggests that at least "some portion" of Zeromax's financial assets would remain in the control of the presidential circle.

"I would be surprised if some portion of it doesn't end up in family accounts. Whether or not people will ever be able to trace that money I think is an open question. I would doubt people would be able to trace it. But we can expect a fair amount to go into family accounts," McGlinchey says.

"And then a fair amount will probably go to government institutions that Karimov needs to maintain power: coercive institutions, the military, and things like that. And it will also go into economic business as well, some of the stuff that Zeromax has done in the past."

Ulunyan of the Institute of World History in Moscow makes one additional prediction: "No matter what happens in this regard, one thing is for sure: It's not going to be democratic and transparent."

Geo strategic Front

- Iran Threatens Uzbekistan Over Tajik Rail Problems

DUSHANBE -- Iran's state rail company has warned Uzbekistan that it will halt the movement of all Uzbek trains across Iran unless Uzbekistan permits the unrestricted transit of freight bound for Tajikistan, RFE/RL's Tajik Service reports.

Iranian railroad official Behruz Balandi told RFE/RL the company sent a letter to the Uzbek state rail company asking it to expedite the passage of hundreds of Tajik freight cars that have been held up for months in Uzbekistan.

Balandi said that after three weeks of negotiations the Uzbek side has finally softened its position and promised to resolve the problem as soon as possible.

Iran had already informed Turkmenistan that starting June 10 it will not allow trains from Turkmenistan to transit Iran on their way to Uzbekistan. Uzbekistan reportedly sends at some 150 freight cars -- many loaded with cotton fiber -- across Iran every day.

Uzbekistan's halting of freight cars bound for Tajikistan has affected construction of the Sangtuda-2 hydroelectric power plant that Iran is financing and building in southern Tajikistan.

Uzbekistan opposes the construction of the power plant because it says the dam at the plant will reduce the amount of water that flows into Uzbekistan.

- Uzbekistan Wants To Close Rail Link To Tajikistan

DUSHANBE -- The Uzbek state railroad company has sent a letter to Tajik authorities notifying them that it wants to close a 44-kilometer stretch of railroad connecting the two countries, RFE/RL's Tajik Service reports.

There are three separate rail links between the two countries.

Uzbekistan wants to close the southernmost, which runs from the Uzbek city of Termez to Tajikistan's Khatlon Province. Officials say the route is not economically viable and their country can no longer afford to maintain it.

Tajik authorities agreed that the route is not profitable, but they object to its closure.

"We prefer to keep it open and will probably assume responsibility for its maintenance," said Andrei Tropin, the deputy director of Tajikistan's state railroad.

Tropin said he does not understand why Uzbekistan wants to close the railway link at the same time that it blames the holdup of hundreds of freight cars bound for Tajikistan on the limited capacity of the railroad network.

Tajik officials say the so-called railroad war between the two countries broke out because of Uzbekistan's opposition to Tajik plans to build the Roghun hydropower plant.

Tashkent fears that the plant will drastically reduce the amount of water into Uzbekistan and thus enable Dushanbe to exert leverage on the Uzbek government.

- President of Uzbekistan holds telephone conversation with US State Secretary

President of Uzbekistan Islam Karimov held a telephone conversation with US State Secretary Hillary Clinton on 17 June to discuss tragic events in the city of Osh and Jalalabad region of Kyrgyzstan in the recent days.

The US State Secretary was informed on the situation in the south of Kyrgyzstan and in the refugee camps on the territory of Uzbekistan, in areas bordering Kyrgyzstan.

A huge work has been carried out to accept refugees from Kyrgyz south, to place them, provide medical assistance to those who need it, create necessary living conditions, organize provision of food, as well as help required to the refugee camps, it was said.

The sides also exchanged opinions on the ways of solving the complex situation and, in the first place, the soonest stabilization of the situation in Kyrgyzstan.

It was stated that the issues of providing direct aid to refugees and humanitarian assistance to the population of the areas affected by conflict, as well as issues of the soonest stabilization of situation in the south and in the whole of Kyrgyzstan remain in the center of attention of the United States.

- President of Uzbekistan holds telephone conversation with UN Secretary General
- President of Uzbekistan Islam Karimov held a telephone conversation with United Nations Organization Secretary General Ban Ki-Moon on 16 June.

During the talk, the leader of Uzbekistan informed the UN head about the concrete data, figures and facts, which give evidence about the unpunished killings, violence, pogroms and arson by organized gangs of bandits towards peaceful citizens, mainly Uzbek population, in the recent days in the south of the Kyrgyz Republic, in Osh city and Jalalabad region.

The number of victims is estimated at hundreds, while the number of wounded counts thousands of civilians of Uzbek nationality.

Upon the call from the peaceful population and the head of the interim government of Kyrgyzstan Roza Otunbayeva, the border of Uzbekistan was opened to accept the refugees, mainly women, children and the elderly, whose number today exceeds 70,000-80,000. This, in turn, required adoption of special measures to provide them, in the first place, with medical aid and all the necessary items.

The refugees have been and are being provided with all required conditions: the ill and the pregnant women are placed in hospitals, preventive medical aid is offered to everyone who requires it, living conditions have been created, together with three-time meals per day. The situation is complicated mainly by the large flow of refugees and their physical and stress condition.

President of Uzbekistan once again emphasized that the assistance, which so far has been offered by UN structures and individual states, should be speeded up, considering the situation the suffering people are in.

The head of the state voiced the need to reduce the quantity of intermediaries during the supply of humanitarian aid and the importance of its delivery directly to the places of location of those who suffered the violence.

Islam Karimov expressed interest in establishing the strictest control over this process.

In his turn, the UN Secretary General thanked the leader of Uzbekistan for the information on the situation in south Kyrgyzstan and refugee camps, as well as for the openness and access of the UN, its structures and the media to these camps. He also said the measures were being taken to stabilize the situation in the humanitarian disaster zone.

Ban Ki-Moon affirmed that he personally coordinated the whole process to provide the aid and took all necessary measures to increase the efficiency of the support provided to the population of south Kyrgyzstan and direct aid to the tragedy victims.

The United Nations, the Secretary General said, is holding the situation in the south and whole Kyrgyzstan under control and will take prompt measures for its stabilization.

- President Islam Karimov holds bilateral talks

President of the Republic of Uzbekistan Islam Karimov met at Kuksaroy complex June 11 with President of the Islamic Republic of Pakistan Asif Ali Zardari, attending the summit of Shanghai Cooperation Organization (SCO) in Tashkent as head of an observer state.

Today, the prolific Uzbek-Pakistani cooperation is developing in the spirit of contemporary international environment. Bilateral documents in various areas signed during summits, have been yielding tangible outcomes. In this context, trade and economic interactions between the two countries have been rather extensive, and the volume of mutual trade increased from 23 million US dollars in 2008 to 34 million in 2009.

In recent years, cultural and humanitarian relations have enhanced between the two nations. In this sense, quite telling are the scientific and practical conferences and other cultural events held in Pakistan in 2008 dedicated to the lives and creativities of Alisher Navoi, Abu Ali ibn Sino, Zahiriddin Bobur and Muhammad Iqbol.

During the meeting at Kuksaroy, the sides noted that active interaction in settling the conflict in Afghanistan remains predominantly significant as both Uzbekistan and

Pakistan have a direct interest in building peace and socio-economic reconstruction in Afghanistan. Tashkent and Islamabad have similar approaches to issues related to counteracting contemporary threats to regional and international security.

Asif Ali Zardari expressed sincere gratitude to the leader of our nation for the invitation to attend the SCO summit. According to him, Pakistan considers Uzbekistan an important partner in promoting economic cooperation with Central Asian states and coordinated action in security matters.

As part of the Tashkent summit of Shanghai Cooperation Organization, President of the Republic of Uzbekistan Islam Karimov met with President of the Republic of Tajikistan Emomali Rahmon, at Kuksaroy complex on June 11.

The Uzbek leader stressed the sustainable nature of mutual interaction – in the spirit of the Treaty of Eternal Friendship signed in 2000 – in an ample range of issues in regional cooperation, including those concerning the settlement of conflict in the neighboring Afghanistan.

Trade and economic cooperation between the two countries has been steadily growing, and an Uzbek-Tajik intergovernmental commission is set up to encourage sturdy development of mutually beneficial relations.

Also, Uzbekistan and Tajikistan actively interact in the framework of Shanghai Cooperation Organization. During the meeting the two leaders discussed raising the capacities of the Organization in addressing the tasks assigned to this institution, and improve mechanisms for cementing regional security and stability.

During the meeting, Emomali Rahmon expressed sincere gratitude to the head of our state for the warm welcome and the highest level of organization of SCO summit. The leader of Tajikistan stressed the timeliness and effectiveness of Uzbekistan's constructive initiatives to uplift SCO's international prestige during its chairmanship.

On the sidelines of the summit of Shanghai Cooperation Organization in Tashkent, President of the Republic of Uzbekistan Islam Karimov met on June 11 at Kuksaroy complex with Shri S.M. Krishna, Minister of Foreign Affairs of the Republic of India, a representative of observer state.

Head of our state remarked that given the historical and cultural closeness of the two peoples, the relations between Uzbekistan and India have been consistently progressing.

Today, the Uzbek-Indian interaction is based on principles of mutually beneficial cooperation in various fields. Close and constructive contacts are built between the two countries at the highest level. Beginning from August 1997, consultations between foreign ministries are held regularly, the latest round of which took place in New Delhi on August 1, 2008. The global financial and economic downturn notwithstanding, economic cooperation between our nations has been developing steadily.

Acquiring a new sense in the context of globalization, cooperation in humanitarian sphere has been gathering momentum, in the spirit of the Agreement on Cooperation in Cultural Area penned in 1994. Thus, about 1,000 Uzbek specialists have since 1993 been trained in India in such areas as information technology, small business, banking, and other fields.

The two nations support one another in the international arena, augmenting cooperation within regional and international institutions.

During the meeting at Kuksaroy, Shri S.M. Krishna expressed his earnest gratitude to the President of Uzbekistan for the warm welcome and emphasized India's interest in the further enlarging the mutually beneficial cooperation with our nation.

- Cooperation aimed at bolstering peace and security

In accordance with traditions of Shanghai Cooperation Organization (SCO), a member state presides at the Organization each year. Following the last year's summit in Yekaterinburg, Russia, the chairmanship in SCO switched to the Republic of Uzbekistan. Traditionally, the presiding nation arranges for summit of the Organization on its territory.

During its chairmanship in 2004, Uzbekistan gathered SCO member states, observer nations and honorary guests for the first time in Tashkent. Today, the capital of our country is host to the summit again.

This time around, the meeting of Council of the Heads of State of Shanghai Cooperation Organization has been organized June 10 at Kuksaroy complex.

SCO summit started with a meeting in a restricted format. It has been attended by President of the Republic of Uzbekistan Islam Karimov, President of the Republic of Kazakhstan Nursultan Nazarbayev, President of the People's Republic of China Hu Jintao, President of the Russian Federation Dmitry Medvedev, President of the Republic of Tajikistan Emomali Rahmon, Acting Minister of Foreign Affairs of Kyrgyz Republic Ruslan Kazakbayev.

During the talks, the sides discussed issues related to perfecting the SCO's work as a whole and of its bodies in particular, boosting cooperation in political, trade and economic, and humanitarian spheres between member states of the Organization, consolidating regional security and stability, joining efforts in countering terrorism, religious extremism and separatism, drugs and arms smuggling, proliferation of weapons of mass destruction, and the situation in Afghanistan.

The standing of any international institution is defined by the efficiency of its activities and the attention granted to it by the international community. In a relatively short period of time, the SCO has turned into a reputable international structure. On June 15, 2001, the heads of six nations inked the Declaration on the Establishment of SCO in the Chinese city of Shanghai. The summit participants agreed then to set up two permanent bodies of SCO – the Secretariat and the Regional Anti-Terrorist Structure (RATS). The founding document of the Organization – the Charter – was approved June 7, 2002, in St. Petersburg, Russia. The institution thus acquired an international legal status. The major goals and objectives are identified as bolstering mutual confidence and good neighborly relations among participating countries, fostering closer practical interaction in political, trade and economic, scientific-technical, cultural and humanitarian areas, ensuring peace, security and stability in the region.

Since the inception of SCO, a number of nations have expressed their desire to join the Organization. Today, India, Iran, Mongolia and Pakistan are observer states.

In order to enhance the scope of the Organization's activities, Banking Association, Business Council and SCO Forum were instituted during 2005-2006. The Banking Association serves to support regional economic cooperation, fund joint projects. The volume of attracted investments for various projects has so far totaled 742 million US dollars.

The Business Council is designed to coordinate action directed at addressing economic cooperation through establishing and maintaining direct contacts between entrepreneurial communities and financial institutions of SCO member countries. As a non-governmental body, thus, the Council brings together business leaders of member states. Along with priority spheres as energy, transport and telecommunications, banking and finance sector, the Council enriches its work with social content by engaging itself in science and technology, education and public healthcare, facilitating innovative know-how in agriculture.

SCO Forum, as a sort of consulting and expertise mechanism, integrates scientific research and political academic institutions with a view to primarily support SCO's activities from methodical and strategic perspectives. Within this group, academic communities of SCO member nations arrange mutual consultations, negotiations, conferences and other similar forums on diverse topics in politics, economy, security, social and environmental protection.

In their interrelations, SCO member states abide by the "Shanghai Spirit". The phrase implies a strict adherence to principles and rules of consensus in decision making, mutual confidence and commitment, equality, consultation, respect for cultural diversity, common aspiration to progress.

At the current meeting of the Council of Heads of State, activities of the Republic of Uzbekistan during its presidency in SCO received a tremendous positive appraisal. Over this period of time, Uzbekistan has placed a particular emphasis at developing the SCO's international contacts, perfecting the normative and regulatory frameworks, elaborating and implementing initiatives to bolster security and consolidate stability, by adhering to principles, objectives and tasks outlined in the Charter of the Organization.

In particular, the President of Uzbekistan put forward a number of proposals aimed at improving the decision making mechanisms within the SCO framework and activities of its constituent bodies. Signed in Tashkent, the Joint Declaration on Cooperation between the Secretariats of the United Nations and SCO will facilitate the development of constructive interaction between the UN Counterterrorism Committee and SCO Regional Anti-Terrorist Structure.

Today, barely any problem can be addressed with the efforts of a single nation. In particular, issues of providing for security and environmental protection require coordinated action at least on the regional level. In this context, building cooperation between SCO and the UN opens up extensive opportunities for joint solution of problems important to both sides. Such bodies of the UN as the Economic and Social Commission for Asia and the Pacific (ESCAP), Counter Narcotics and Crime Committee, Regional Center for Preventive Diplomacy in Central Asia have already been interacting with SCO. The approved Joint Declaration will serve to further widen the scope and enhance the capacities of this cooperation.

Currently, a plan of SCO's interaction with partner organizations is approved, which, building on signed memoranda of understanding, is called to make further steps in expanding cooperation between the Organization and such authoritative international institutions as UNESCAP, ASEAN, CIS, EurAsEC, CSTO

Uzbekistan attaches critical importance to executing the action plan for implementation of the program for multilateral trade and economic cooperation through 2020. In

particular, advancing transport communications has been granted priority policy status in SCO. Given the magnitude of a soonest completion of reconstructing the E-40 international highway for all member states, Uzbekistan has fully met its commitments to complete work on its own territory. In addition, our republic is building a free industrial and economic zone (FIEZ) in Navoi, a central part of the E-40. Doubtless, as long as new joint projects are implemented in Central Asia to increase production and construction of roads, the significance of FIEZ Navoi for SCO countries will rise. Members of the Organization can take active part in the development of this zone.

During the negotiations at Kuksaroy, the sides underscored the importance of cooperation not merely in the production and processing of raw materials, but also in high-tech, elaboration and realization of joint investment projects in production of goods with high added value with an eye to contemporary realities. Problems associated with employment, sustainable economic growth and, crucially, consolidating social stability throughout the region, could be addressed through these measures.

The heads of state and government also exchanged views on priority areas of a multilateral strategy for cooperation within SCO, weathering the impact and preventing devastating effects of the global financial and economic slowdown, as well as the pressing issues of enhancing relations in economic and social spheres.

At the meeting of heads of state in an enlarged format, these issues have been put under a wider review, when dealing, in particular, with further intensification of a multi-faceted and mutually beneficial cooperation within SCO, as well as on modern-day regional and international issues. Along with leaders of member nations, the meeting has been attended by heads of observer countries, namely Mongolia's President Tsakhiagiin Elbegdorj, President of the Islamic Republic of Pakistan Asif Ali Zardari, foreign minister of the Islamic Republic of Iran Manuchehr Mottaki, Minister of Foreign Affairs of the Republic of India Shri S.M. Krishna, while President of the Islamic Republic of Afghanistan Hamid Karzai and the Turkmen President Gurbanguly Berdimuhamedov were invited to the summit as honorary guests.

The meeting has also been attended by SCO Secretary General Muratbek Imanaliyev, Executive Director of RATS Jenisbek Jumanbekov, UN Under Secretary General Jan Kubis, Chairman of CIS Executive Committee Sergei Lebedev, CSTO Secretary General Nikolai Bordyuzha, Deputy Secretary General of EurAsEC M.Musataev, Deputy Secretary General of ASEAN S.Sisovong.

Worth mentioning is the fact that, along with observer countries, the SCO unites half the population of the Earth. This increases its capacity to carry out its core trade, namely, advancing economic cooperation and boosting regional security. During the talks with representatives of observer nations and honorary guests, these two priorities have principally been reiterated, as the underlying purpose of the Organization is to promote cooperation and common progress through ensuring security.

The development of large-scale economic, financial and investment cooperation amid the global financial and economic crisis helps primarily to depreciate the unwelcome impact and prevent harmful consequences of the recession. In harmony with this, a basis for overall economic progress is built.

Obviously, bilateral relations between the members and observers of the Organization are set up at some level and vigorously developing, while scarcely leveling the magnitude of multilateral relations. Put into operation in 2009, the "Central Asia – China" pipeline has

been a creditable example of regional cooperation. Also on the basis of multilateral cooperation, trans-Afghan transport corridor is being constructed, opening the way for Central Asian countries to the Indian Ocean's ports.

With the initiative of President Islam Karimov, the leader of Afghanistan was invited to attend the first SCO summit in Tashkent in 2004. Since that time, Hamid Karzai has been engaged in every summit meeting of the Organization. As long as one of the core activities of SCO – the issue of amplifying security – is discussed, the conflict in Afghanistan cannot be ignored. Consequently, the participation of the Afghan President in these discussions makes it possible to deeper analyze problems; discuss the issues of socio-economic reconstruction in detail.

The summit provided a platform to exchange views on the situation in Kyrgyz Republic, during which participants expressed willingness and support to render necessary assistance to that country. “The critical thing, – said Islam Karimov – is to find solutions in the legal field and to prevent further escalation of tension.”

During the meeting, heads of state comprehensively exchanged views on security issues, in particular, information security, the joint counteraction of information threats.

Turkmen President Gurbanguly Berdymuhamedov has also been invited to the summit not accidentally. Working together in matters of enhancing regional security and cooperation has been more than appropriate. In this context, communications systems, infrastructure, transit potential of Turkmenistan provides a useful resource for SCO countries.

The leaders also discussed issues of interaction and information exchange between financial institutions, banks, stock exchanges. In order to bolster regional cooperation, the sides exchanged views on removing obstacles to the development of trade and economic relations, wider support and promotion of direct contacts between business entities. Enlargement of investment cooperation in transport and communications, agriculture, high-tech are identified as priority areas.

Following the talks, the Declaration of the Meeting of the Council of Heads of SCO Member States has been signed. So have Decision on Approving the Regulations on Admission of New Members to SCO, Decision on Approving the SCO Rules of Procedure, Decision on Approving the SCO Secretary General's Report on the Activities during the past year, Decision on Approving the Report of the Council of SCO RATS on the Activities in 2009. Information statement on the results of the meeting of the Council of Heads of SCO Member States has been penned. Following the meeting, agreements signed among governments of SCO member states on cooperation in agriculture and fighting crime.

At the meeting with media representatives, President of Uzbekistan Islam Karimov noted that the meeting took place in the spirit of mutual confidence and respect, working attitude, and that the reached agreements would serve the interests of member nations and observers countries. Reviewing the activity of SCO for the entire period of its existence, the President of our state emphasized that the open and non-bloc nature of the Organization has been cementing that excludes confrontational approach to addressing hot issues of regional and international development.

“We have comprehensively discussed issues related overall consolidation of multifaceted and mutually beneficial cooperation, as well as pressing regional and international matters,” Islam Karimov put. “Participants of the meeting have agreed that

in the period between the summits in Yekaterinburg and Tashkent, a major substantive work has been carried out, including fostering the legal framework for the Organization's functioning, raising its efficiency and systematization of its activities. Thus under the chairmanship of Uzbekistan, we have managed to secure the Joint Declaration on Cooperation between the Secretariats of the UN and SCO during UN Secretary General Ban Ki-moon's visit to this country in April 2010. I am convinced that the adoption of this document will actively engage the UN podium to address the tasks defined by SCO, including the joint promotion of its member states' interests".

Secretary General of SCO Muratbek Imanaliyev conveyed his sincere gratitude to the people and the leadership of the Republic of Uzbekistan for hosting the summit at the highest level, stressing on behalf of all participants that the occasion has been productive. "Documents penned today constitute a new step forward in advancing the SCO, in elevating its international weight. Tasks identified during Uzbekistan presidency have been accomplished," Muratbek Imanaliyev declared.

This completed the work SCO summit in Tashkent. Beyond any doubt, it will make a special page in the history of the Organization as a summit during which critical agreements were reached on uplifting the SCO's efficiency, bolstering regional cooperation and security.

Economic/Energy Front

Social Front

Sources

<http://www.rferl.org/>

<http://www.reuters.com/>

<http://kazinform.kz/eng/>

<http://www.interfax.kz>

<http://www.bloomberg.com/>

<http://silkroadintelligencer.com/>

<http://eng.24.kg/>

<http://www.asiaplus.tj/en/>

<http://www.turkmenistan.ru/>

<http://enews.ferghana.ru>