LETTER FROM EUROPE

Chechnya, Russia and the West

by Chaklader Mahboob-ul Alam

We see that the West does have a leverage over Russia. It can certainly start putting economic pressure on Russia with a view to restraining its policy of committing genocide in Chechnya. If Russia is not stopped now, it may feel tempted to take its war to Georgia - remember recent Russian interventions in Georgian provinces of South Ossetia and Abkhazia and Azerbaijan with the excuse of bringing them back to the fold.

THE second Russian war torial expansion, as a resu of against Chechnya of the post-Soviet eral the fifth military campaign against Chechnya of the century) is in full swing.' Most of the north of Chechnya is under the control of Russian forces. It is now a hungry depopulated land. Many towns and villages are in ruins. More than two hundred thousand Chechens have fled the country and are now living in make-shift refugee camps in neighbouring Ingushetia. Thousands have died. Grozny is under siege. It is under continuous bombardment from Russian guns and planes. Yet in spite of overwhelming superiority in firepower and manpower (the ratio is over thirty to one), a Russian victory is not in sight. In order to guarantee his victory in the March Presidential elections. Putin had wanted to take Grozny by 31 of December, 1999. The Chechens are putting up fierce resistance. The number of Russian casualties is on the increase. Although most political commentators discard a quick Russian victory, there is no doubt that sooner or later Grozny will fall. The surviving Chechen fighters will take refuge in the southern mountains to wait for another day and the ongoing independence war will continue as before with a brief respite.

Several questions come to mind at this point : What is the origin of this conflict? What do the Chechens want? Why have the Russians started this war now? What are the Russian objectives? What is the West's stand on this issue? Do the Americans and the Europeans have a common policy? Can the West put pressure on Russia to reach a political settlement

with the Chechens? From an ethnic point of view, the majority of Russians are Slavs and are Orthodox Christians by religion. According to the Russian constitution, Chechnya (only 5800 sq. miles) is one of the twenty-one ethnically based republics which form the Russian Federation. It is located in the Caucasus, on the southern rim of the Federation. This is a mountainous area which has been home to more than 50 separate ethnic

groups, speaking dozens of different languages, for thousands of years. The Arabs named the Caucasus as Jabal al Alsine, the mountain of languages. They may speak different languages but they have one characteristic in common, i.e. they are a fiercely independent people. The Chechens, who are not Slavs and who number only a million people speak a langrage

- the Nakh group of Caucasian languages - which has nothing to do with Russian. Arabic script was used for the written language until the middle of the 1920s, when it was replaced by the Latin script. The Russians imposed the Cyrillic script in 1938, but in the early 1990s, after the dissolution of the Soviet Union, the Checehens went back to the Latin alphabet. The Chechens are Muslims not Orthodox Christians and have vigorously fought for centuries to have a separate identity. Thus we see that ethnically, culturally, linguistically and even from a religious point of view, the Chechens have nothing in common with the Russians. So the question is: How and when did the Chechens come under the Russian rule?

In the first half of the nineteenth century. Czar Alexander I and Czar Nicholas I vigorously pursued a policy of treri-

which vast swathes of territory in Europe and Asia came under Russian control. In the Caucasus. Russian incursions started even earlier .As a part of the Czarist imperial policy, which was very much in line with the colonial policies of other European countries, the Russians started mounting expeditions in the Caucasian territories in early eighteenth century. So this is a three hundred-year-old conflict. While the Caucasians understood and appreciated the value of maintaining economic ties with the Russians, they. particularly the Chechens. fiercely resisted these military incursions. One of their legendary leaders, Mansur, died in the closing days of the eighteenth century after being taken prisoner by the Russian forces. in the first decade of the nineteenth century, Russian rule was established by hook or crook in most of the Orthodox territories of the Caucasus like Georgia and the surrounding principalities. This territorial gain made the position of the Muslim territories of the Caucasus militarily more difficult. The Chechens, under the leadership of Imam Shamil, continued to resist the Russian incursions until 1859, when they were completely defeated and Chechnya was officially incorporated in to the Russian em-

Even though the Chechens conceded defeat for the time being, they never lost an oppor-4 tunity to rebel against the Russian rule. The objective was always to win back their independence. They rose up in arms against Russian occupation after the Russian Revolution in 1917, again in the thirties and the forties. Stalin was so infuriated by the Chechens in 1944 that he deported the entire population to remote regions in central Asia. Many perished in exile and the survivors were not allowed to return to their homeland until 1957, when Stalin was luckily dead. Again, in 1991, when the vast Soviet empire (Russian territorial expansion had continued unabated both in Eastern Europe and Asia under communism) was about to fall, the Chechens, under the able leadership of Dudayev declared themselves independent and in December, 1994 the Russian President Yeltsin launched his lirst Chechen war (1994-1996). which according to most experts left nearly one hundred thousand. (mostly civilians) dead, a country totally devastated and three hundred thousand Chechens in refugee camps. In spite of their vast numerical and technological superiority, the Russians lost the war and the Chechens won back their independence although a final decision on the exact constitutional status was postponed until 2001. The Russians and the Chechens signed a peace agreement pledging never to use force, or threat of force again. If that was the agreement why did Yeltsin feel compelled to launch his second Chechen war only three years after giving that pledge? What made him break his pledge? Is it because he never intended to keep his

There is no doubt that President Yeltsin is a vengeful man. Of course, he wanted to restore Russian pride as soon as possible. So was this the only reason why he started this war? No. there were a number of other hidden reasons and they had hardly anything to do with the

Chechens but with Russia's internal situation. As the Chechen President Aslan Masjadov said in an interview with the German weekly Der Spiegel in September 1999, "The Russians always play the Chechen card, whenever they have parliamentary or presidential elections. It is even more true now because Yeltsin and his clan fear that the new President will send them to prison as soon as

he takes office.

The Russian internal situation had slowly but steadily deteriorated over the last few years. In 1991, when the old Soviet Union started to disintegrate. Boris Yeltsin became the first elected president of the Russian Federation, the largest of the constituent parts of the Union. His political agenda was very impressive. The brutal authoritarian political system would be dismantled and replaced by western style democracy under which the rule of law would be established. He promised to reform the corrupt and inefficient Soviet economic system and in its place introduce market economy. He would increase the standard of living of the ordinary people. He would restore Russian pride. It was indeed a formidable task to accomplish all this. The expectations were great. The Russian people had been led to believe that a prosperous new order was in the offing. They thought that they could have all the material advantages of capitalism and at the same time retain the military power of the Soviet era. For a time it seemed the Russians could pull it off under the prime ministership of Yegor Gaider. But the odds were too great and the vested interests

too powerful. Yeltsin, who did not have any knowledge of economics became more and more impatient and started acting as

though economy could be reformed merely by passing decrees. He became suspicious of everybody and everything. He surrounded himself with his family members and a few cronies. His main objective in life had become somehow or other to hang on to power. In order to divert public attention from his own failures, he started his first Chechen War. His adventure in Chechnya further weakened the economy and the humiliating defeat suffered by Russia's armed forces revealed the organisational and

technological weaknesses of the military. No wages were paid for months to millions of workers, miners, soldiers, teachers all over Russia for lack of funds. "Beggary, penury, crime, alcoholism", and a virtual breakdown of law and order made living conditions almost unbearable. The ordinary people just could not understand what had happened to their beloved country or what to do to avoid a complete collapse of the steadily degenerating state. They became increasingly angry and that anger was turned on capitalism, the new economic order. Public support for Yeltsin started to wane.

Not everybody was against Yeltsin, however. Taking advantage of the privatisation scheme a few members of Yeltsin's inner circle became trolled banking, finance, insur- with Yeltsin's enemies in Parance, mining, energy and al- liament and honest enough to Russian economy and of course, ernment.

the media. They paid hardly any taxes and transferred a large share of their profits to numbered accounts in foreign countries. They, in effect, became the power behind power. Three-eded Yeltsin to amass even ge ... er wealth and Yeltsin needed their money to finance his election campaigns. It had become a vicious circle. According to many reporters, Yeltsin, who had earned a reputation in the Soviet era of being an honest man with an austere lifestyle took to luxurious living. He built dachas all over the country for his personal use. By some accounts, he and his daughter accumulated millions of dollars, deposited in foreign

No wonder everything came

to a head in August 1998. The

countries.

rouble collapsed, the stock market slumped and the inflation shot up to 100% p.a. The government defaulted on \$40 billion of rouble bonds and the Russian financial system virtually collapsed. The West came to its rescue with a huge stabilisation fund. By now Yeltsin, as a political power, had become a spent force. In a desperate bid to stave off total anarchy and a possible military coup, Yeltsin changed his Prime Minister in late 1998. This time he chose Primakov, a former head of the KGB, who was considered to be an able administrator. Although not a visionary reformer, Primakov turned out to be the right man for the job powerful enough to take on the oligarchs, smooth enough to fabulously rich. They con- build up a working relationship most all other branches of the restore some confidence in gov-

jealous of his Prime Minister. Primakov would probably have been allowed to totter along until the presidential elections had he not posed a threat to Yeltsin's inner circle. Primakov's downfall was precipitated by his initiative in early 1999 to start investigations into the affairs of the Yeltsin clique, which in Russia and elsewhere is known as "the Family". This was a dangerous situation for the Family Throughout Yeltsin's winter illness, Primakov had built up a solid reputation among the Russians as a man of integrity Although he had produced no economic miracle, his austere, prudent style had at least restored some political and economic stability. Primakov's chances of winning the presidential elections in 2000 were increasing day by day. Something had to be done quickly to protect the interests of Yeltsin and "the Family". So the Family decided that the best way to achieve these results would be to get rid of Primakov as Prime Minister (to weaken his chances in the presidential elections) and to do everything necessary to find a successor to Yeltsin who would be more amenable to pressure com them.

Yeltsin started becoming

Primakov was fired in May, 1999 and replaced by Sergei Stephasin, who did not fit the bill either. He lasted only three months. Finally, "the Family" found their man in Vladimir Putin, a former spy who considered himself as a disciple of a former KGB boss Yuri Andropov, who ruled the Soviet Union in the early eighties. So in August, 1999 Vladimir Putin was appointed as the Prime Minister. According to many political observers, subsequent events seem to indicate that a deal was struck between the oligarchs and the new Prime Minister. No efforts would be spared to promote Putin and his Unity Party with the objective of winning the parliamentary elections, after which Putin's name would be put forward as the successor to Yeltsin. Once Putin's chances of winning the presider fal elections (to be held in March 2000) were more or less assured. Yeltsin would step down after appointing Putin as the acting President, thus combining the offices of the Prime Minister

and the President in the same person, i.e. Putin. In return Putin would sign a decree giving complete immunity to Yeltsin and his close associates from prosecution on charges of corruption. All this seemed fine and dandy as far as a plan could be. But the crucial question was : How to increase Putin's popularity rating from zero to 50% or 60%, which would assure the success of the plan? Everything hinged on that factor. Nothing raises the patriotic zeal in a poor dispirited people than a war against a hated enemy. So an enemy had to be found against whom a war could be

launched with the possibility of a quick victory.

Since their humiliating de-

feat in 1996 at the hands of the

Chechens, the Russian armed forces and the secret service had been licking their wounds and looking for an opportunity to restore their pride. They also wanted a larger share of the federal budget. Chechen incursions in Dagestan with the intention of establishing an Islamic republic there in August 1999 and several bomb explosions in Russian cities killing hundreds of civilians gave Yeltsin and Putin the perfect excuse to launch the second Chechen war of the post-Soviet era. (It is a pity that the Chechen President could not establish his authority over the unruly Chechen warlords.) Although no proofs were submitted, the blame for the bombings was firmly laid on the Chechens. Many prestiglous Western analysts and even some opposition leaders in Russia have also raised doubts about these charges. They have even gone so far as to suggest that in order to foment war fever among the public, the Russian Secret Service (remember Putin was until recently the head of this organisation) carried out these bomb-

most of its immediate purposes. gone up from zero to over 60%. his party has won a landslide victory in the parliamentary elections opening up the possibility of the Duma and Kremlin working together, not one against the other, for the fist time after the collapse of the Soviet system. Yeltsin has resigned and Putin appointed as the acting President. Putin has already signed a decree giving immunity to Yeltsin and his close associates from prosecution. Russian pride has to some extent been restored. If the Russians can take Grozny by the middle of February and continue to manipulate the media to hide the real number of Russian casualties, the chances are that Putin will become the President at the end of March 2000. Everybody seems to have won except the poor Chechens. But who cares? Can the West do anything to alleviate their suf-

The war has already served

Until now the West has followed a policy of appearement. Although it has deplored the indiscriminate use of force against the Chechens, it has not openly rejected Russian contention that it is a Russian internal matter and has paid lip service to the ideal of waging an "anti-terrorist" campaign without any collateral damages particularly among the civilians. The Western politicians argue that if they push Russia too hard, then it may plunge into anarchy or disintegrate or succumb to an ultra-nationalistic military coup. Actually it seems that the West lacks a common policy on Russia. Clinton has made some empty threats such as "Russia would pay a heavy price", if it continues with its policy of indiscriminate killing of the Chechen civilians. Europe has threatened Russia with the suspension of its membership of the Euro-

fering?

pean council. , T is true, Russia is still an important nuclear power with a huge army. It is not expected that the West would take military action against the Russians to defend the Chechens. But there are other ways of putting pressure. The West can hit them in their pocket. Russian econ-

omy is being sustained by loans from the West , specially from the IMF and everybody knows that the US is it, most important paymaster. A rough estimate of the Russian debt situation will show how crippled the Russian economy is: According to some estimates, the government owes approximately one hundred billion roubles to its citizens only in wages and pension arrears. It owes billions of dollars to the IMF and the World Bank. Russian debt to the holders of Eurobonds, the Minfins, to the Paris Club (Western governments of which Germany is the largest single contributor) and to foreign private sector creditors is astronomical. The Russian government has got into the habit of defaulting on repayments. Actually the US and Europe have bent all rules to accommodate Russia as far as the restructuring of the loans are concerned. It is a joke that with such a precarious economic situation, Russia wants to join the G7. One need not be a mathematical genius to realise that the billions of dollars that Russia is spending to destroy Chechnya are indirectly coming from the loans given by the West, admittedly for other pur-

Besides this absolute financial dependence on the West to keep its economy going. Russia Putin's popularity rating has has got other reasons to be grateful to the West. In 1998, the US and Europe gave more than a billion dollars to Russia for projects like nuclear safety. market reforms, education, health care etc. Although the exact amount for 1999 is not yet available, it is estimated that a similar amount was given in aid to Russia for such mundane activities as supporting four thousand of Russia's best teachers, buying books for its public libraries and of course, fighting

> nuclear contamination. So we see that the West does have a leverage over Russia. It can certainly start putting economic pressure on Russia with a view to restraining its policy of committing genocide in Chechnya. If Russia is not stopped now, it may feel tempted to take its war to Georgia - remember recent Russian interventions in Georgian provinces of South Ossetia and Abkhazia — and Azerbaijan with the excuse of bringing them back to the fold. Why is the West behaving in such an indulgent manner with the Russians?

If I were a man with little faith in the sincerity of human motives, I would be allowed to think that Russia and the West have already reached a secret understanding on geopolitical strategy in this part of the world: That Russia would not create trouble in southern Caucasus over the construction of a pipeline between Baku (Azerbaijan) and Ceyhan (Turkey), which would give effective control over Caspian oil and gas to the West. In exchange. Russia would be allowed to destroy the Chechen independence movement without any intervention from the West. Thus Russia would get back its control over the already Makhachkala-Novorossik pipeline, which runs through Grozny. This strategy will at the same time seriously undermine Iran's position in the area, who happens to be a common enemy of the

Americans and the Russians.

Only the future will reveal

whether these are wild conjec-

tures or there is some truth in

all this

Priceless or Valueless?

by Abul M Ahmad

HE media has been publicizing adequately the weaknesses of the current deplorable political culture, as the politicians are very much exposed to public life. The instability in the politicians in understandable from the historical background of absence from governance for 16 years.

The gait is staggering, and the public policies muddled. Add the greed for power and money, and there is no room left for alibis, except for materialistic hedonism, displayed with uncouth taste. The prerogative of the regime in power is being misused openly, in the name of fertile ideologies of the chameleon class. The masses are indifferent to the nuances and artificial finesse of the various stances, whether it be to the left, right, centre, or slightly off-centre; excluding 'fundamentalism', as defined in Dhaka, or for that matter Bangladesh

The proof of the pudding lies in the eating, but before that the pudding must be clearly visible. as it is public property, and no private or clandestine diningroom, parties are permissible. according to the codes of the constitution. After partaking of the feast, comes the digestive period. And the society could not digest most of the goodies offered for nearly three decades.

The fault is with the menu.

or with the gourmets? It is a metaphysical question: who is the greater offender, the trendsetter, or the follower. The latter is in larger number, and more visible in their acts of omissions and commissions. Political styles tend to leak out and pervade the other sectors of the society, as those behind the operations are powerful members of the society. The fish first rots at the head, therefore spinning tales have no meat in the version. Who are responsible for the Operation Clean-up? The same set of governors, who do not rule (democratically speaking) but govern the coun-

Where the academia got the ideas for supporting violence in the campus? Certainly not from the books. So there are forces more powerful than the noble ideas encased within the books of learning. It is easy to dismiss the 'academic issues'. But the virus remains and infect more people, especially the new generation, who get new ideas of doing things in the wrong way, and get away from the responsibility. Blame the mould or the (what is there to change?). moulded product? That is a issue not being discussed pub-

integral part of daily life, on call at the slightest notice, right

tool becomes a principle; a means becomes an end. Who are noticing such immoral conver-

When integrity is contaminated, reliance suffers. A Trust is a trust, trust it or not. A nation which has no contingency plan, physically or morally, is very vulnerable. Moral principles are not a circus jugglery with enticing balls, but more like walking on the right-rope, needing precision of balance; to maintain the integrity of character, nobility of thought, and transparency of benevolence.

In civilized societies, what is the role of violence as a tool for achieving objectives? The 20th century was not the warbling of the doves. How the rule of the jungle has penetrated the airconditioned skyscrapers? Somewhere something has been badly mixed up, imperilling the society. The society is facing a sardonic campaign: to project the weak leadership! Protect, improve, strengthen; or classify technically as redundant? A strong personality does not change his character so easily

Bangladesh lies in a tropical region, hence the spring is mild and fleeting. But the need of the hour is spring-cleaning, right Hartals (strikes, bandh) from the top, to wash out the have been allowed to become an environmental pollution, so nobly programmed worldwide with hundred of millions of or wrong. What is the lesson? A dollars

BEFORE advocating further injection of devaluation mechanism. BB (Bangladesh Bank) should have thought of its clear and obvious negative impacts on the cost of living and its outcome of costpush inflation. We cannot sidetrack the fact that Bangladesh is an import-based developing country. Therefore, devaluation cannot be the only solution for higher export. It our neighbouring countries prefer to adjust their currencies downward, it is because initially they did not have any other choice as certain economic sanctions were imposed by Western influential countries as they (India and Pakistan) refused to sign CTBT. In such a crisis, devaluation was mandatory at least for a shortterm solution for export growth. On the other hand, Indonesia has been suffering on the ground of political unrest inflicted due to internal disorder and choas among the students and government party. Shortage of foreign currency inflow created tremendous pressure on the government exche-

Russian soldiers place the body of a dead comrade next to other killed Russian soldiers near

an APC on the outskirts of Chechen capital Grozny Tuesday. Chechen snipers firing from

cement bunkers fought federal soldiers Wadnesday in a building-by-building clash for con-

trol of Grozny's key Minutka Square amid unprecedented criticism of the war effort in Rus-

nation. Instead of frequent resort to devaluation, Bangladesh government should help the country to become self-sufficient by providing proper incentives essential and thereby impose

quer and widened the exchange

rate of currency beyond imagi-

DEVALUATION Little Cure for Ailing Economy

by Mohammad Shahid Jamal

The economies of developed countries practice free-floating exchange rate to keep the monetary mechanism out of influence of vested quarters and controversy. On the other hand, often the governments of developing countries fail to achieve benefit of fixed exchange rate due to wrong and whimsical monetary decision.

and by taking effective longterm economic policies to prepare the country to face the withdrawal of the 'Multy Fibre Agreement' in the year 2005. We should assess our steps if any taken to overcome this crisis. It is clear that we have done nothing to set up backward linkage industries to support garments industries in the face of quota withdrawal in the year 2002. This devaluation which is frequently advocated by our government machinery will only complicate the economic crisis in the long run. The latest devaluation is mads for the fifth time in last two years and this time at a higher rate i.e. 3 per

Did we ever evaluate how much our export growth increased from devaluation in last two years? Do we have concrete evidence of its positive outcome? Recently, many analysts agreed on his negative effects on the overall economy. The government should single out import itetns which are not

tariffs on them to cut their consumption and reduce the burden on the foreign currency reserves. Nothing much is done to abolish huge trade deficit with India. Indian consumer goods have significantly captured our domestic market destroying our infant industries due to huge retail price differences created through adopting policy differences between the two countries. On the other hand, our producers have failed to enter India's vast consumer market due to some hurdles imposed on

The government should ensure better communication and infrastructure facility, political stability, improved law and order situation, transparency in awarding international tender, efficient banking and insurance service and timely approval of work order from the respective government departments to increase FDI (Foreign Direct Investment).

Now is the right time to think an alternative of devaluation. For example, the gov-

ernment can provide subsidies to exporters in terms of tax holidays, shortterm loans, low cost energy such as electricity and natural gas supply to boost export. It can also ensure timely inspection of imported raw materials, efficient handling and disposal of goods at the port by facilitating foreign inves ors to set up private port (it may be mentioned that the British Consortium investors did project evaluation out of their investment interest and found it lucrative and even showed their keen interest but backed out because the government did not show any interest) and by abolishing trade unions at port. setting up training institutions for workers at government initiative. This would certainly increase exports due to low cost of production, better quality and timely delivery of goods.

The main drawbacks of devaluation are that it will increase overall cost of a new project as cost of machinery, payment to foreign consultants

and project experts and service charge to banks and insurance companies will increase many folds. Therefore, payback period of such projects will increase and NPV of the re um will be less attractive on the economic ground. This will discourage many foreign and local investors about new investment. As a result, the government's long-term industrialisation policy will fail to meet its

cherished goal.

Due to devaluation, cost of production of exportable items will increase as most of these products are produced with imported raw materials. Other costs will also add up to cost of raw materials such as high freight charges, insurance cost, brokerage charges, marketing charges, payment of royalties and commissions to middlemen and foreign partners and franchisers as all these costs will be paid in foreign currency.

The economies of developed countries practice free-floating exchange rate to keep the monetary mechanism out of influence of vested quarters and controversy. On the other hand, of-ten the governments of developing countries fail to achieve benefit of fixed exchange rate due to wrong and whimsical monetary decision.

I THINK SO - ITVE A FRIEND WHO'LL HIDE

US FOR THE

Garfield o









