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Nonproliferation
Arms Control**

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Hot Topic**GRAY ZONES: THIS IS WHERE
THE THREAT TO THE
NONPROLIFERATION REGIME
COMES FROM¹****by Dr. Vladimir Orlov
Director,
PIR Center**

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Translation into English. Abridged version

While major attention in efforts to prevent the proliferation of weapons of mass destruction (WMD) and their production technologies is focused on a handful of *states of concern*, the most potentially threatening challenges come not from there. The enumeration of certain states allegedly comprising “the axis of evil” not only smacks of ideological clichés, but also confuses and may distract from these emerging threats.

The primary cause of concern actually comes from *gray zones*, spread all over the world where non-recognized regimes or separatist movements rule under the cover of *self-determination* slogans. But in reality, they instead gather radicals of all colors under the flags of *pirate republics* of the 21st century.

They are forgotten

Under the guise of military conflicts, anarchy, or post-war chaos, billions of dollars are pumped through these *gray zones*. The epicenters of the world’s black market of drugs, forged money and documents, arms, and humans, are right there. These zones are international criminal crossroads. They are world depots and transit knots for commodities and materials from internationally adopted *stop-lists* or *control lists*. The poverty, lack of prospects and the *permanent war* syndrome solidly built in the local psyche are thickly intermingled here with easy money, freemen and the cult of lawlessness. Such a *cocktail* has become a magnet both for *robin-hood-style* individuals and international organized crime communities, as well as political, ethnic and cult extremists.

One will never find names of these *republics* in the lists of participants in international

agreements on export controls or counteracting terrorism. The conventional arms shipments to – or, most likely, via – these *black holes* are not declared in the UN Register. Nobody here takes care to be aware of *international obligations* or *rule of law*. And the local authorities are quite outspoken about that: *come on, you guys don’t recognize us as independent states and equal players, why should we care then about international law?* The anonymity of operations predominates here just as in off-shore banks. The difference is that here one does not experience the pressure of developed nations: one either neglects it or smartly plays upon the contentions between various states. It turns out that the most powerful states of the planet can much more easily apply sanctions to some financially dishonest Pacific island of Nauru than to clean Augean stables in Abkhazia, Waziristan, or Transdnjestria... The Americans still remember how they burned their fingers in the conflict in a *pirate territory* of a failed nation of Somalia.

Two antiterrorist operations, the Russian one against Chechen separatists and the US-led one against the Taliban regime and Al-Qaida in Afghanistan, indicate that it is possible – in principle – to cut off the oxygen to *pirate republics*, though the transition of the zone from *vacuum* to *normalcy* will take years if not decades. One cannot help greeting warmly the US steps aimed at assisting the government of the southern Philippines in the fight against *Abu Sayaf*, forming a climate of stability in Yemen and narrowing the *black hole* of a drug trafficking empire in Colombia. However, such steps are belated ones. And more, it is now too premature to conclude whether they have been or would become efficient enough.

If finally successful, these operations would send a clear warning message to those non-state actors with growing ambitions who are even now still drafting their plans. If failed, it would probably become if not a green but a yellow light for a number of separatist groups with different kind of rhetoric.

But they exist throughout the world

In this context, the whole region of Southeast Asia is particularly vulnerable, with at least two giant shaky zones: one, in the golden

triangle between Myanmar, Thailand, and Laos; and the other throughout the Indonesian archipelago, including, but not limited to the Moluccas, Aceh, and Irian Jaya. The region may become the worst case scenario of proliferating *vacuum zones*.

Another shaky area is on the territories of the former Soviet Union states, mostly to the south from Russian border, but still including some southern Russian lands.

It is, primarily, Central Asia, where governments through authoritarian rule try to avoid the crisis and to block the Taliban echo. Yet, Tajikistan is more of a failed nation, with its part under no control by the Dushanbe government. According to the director of the Tajikistan Agency of Drug Trafficking Control, the border control between Afghanistan and Tajikistan is very weak. This year, there is a considerable increase in heroin trafficking though the Pyandzh river bordering the two countries. As a rule, smugglers use three or four countries in transit before heroin is supplied to end-users in Europe.²

In the Caucasus region, anarchy spreads throughout Abkhazia and Southern Ossetia – separatist parts of Georgia. According to former head of the Abkhazian parliament, his country “has become a safe heaven for narcomafia, smugglers, radical Islamists, and terrorists.”³

Black holes are not yet erased in the mountainous parts of Chechnya. A very weak, if not symbolic, control by the federal government provides grounds for the existence of a semi-pirate republic in Ingushetia, with no official border demarcation with neighboring Chechnya.

It is not chance that a number of stories or rumors about illicit trafficking of nuclear material mention Central Asia or the Caucasus as transit routes; once, even *suitcase nuclear devices* were reportedly lost by Russia in Southern Ossetia. Though many actively circulating rumors, like one about *nuclear suitcases* lost and not yet found in Ossetia do not have confirmation, security analysts watching the dynamics in the region cannot be relaxed. As a reminder, some of them look at the history of the Taliban air

communications. Afghanistan’s *Ariana* under the Taliban used to have irregular but intensive non-custom clearance flights to Dubai and Sharjah and, probably, to other destinations. For the Caucasus region, the main transit routes to the south go through Turkey (to go there, no visa is required), Amman, and, again, Dubai.

Last but not least, the tiny *pirate republic* of Transdnistria, a separatist territory of Moldova, with its currency, border control, police, and a Soviet-style-rhetoric wild-capitalist-style self-proclaimed government, serves as an exemplary criminal *off-shore haven*, conveniently located next door to key Southern European and Mediterranean transport routes. According to the U.S. government assessment, “[o]rganized crime has flourished in Moldova over the past decade, especially in the breakaway Trans[d]niestria region. Moldova’s local crime groups have established close ties to Russian, Ukrainian, and other foreign criminal syndicates that also act in the country. [...] Political connections have assisted criminal groups and their front companies’ efforts to acquire lucrative contracts or state-issued licenses for exports...”⁴

In Transdnistria, arms production and arms sales is the only national business. For international terrorists, this is the best market they could imagine: cheap, efficient, and forgotten by the entire world. All the trade is controlled by the *Sherif* company owned by Vladimir Smirnov, a son of the Transdnistria President Igor Smirnov. According to Paolo Sartori, of the Interpol, Vladimir Smirnov is also the head of the Transdnistria Customs Service. Thus, his company can export whatever it wants to, avoiding any taxation, duties, and reporting. Moreover, the airport in the capital town of Tiraspol is defended by missiles and looks very much like a territory under pirate rule. According to the Moldovan law enforcement services estimates, *Sherif*’s annual sales are around \$4 billion. Ironically, the total officially declared Transdnistria GDP is \$85 million, i.e. 47 times lower than that of the President’s son favorite toy.

Gnom, Grad, Vasilyok, Duga, Igla... everything is on sale on the local black arms market.

Among the shoppers attracted by supermarket-wide choice and permanent discounts, there have been seen visitors from *Al Qaida*, *Hamas*, *Hezbollah*, guests from Iran, Iraq, Abkhazia, Nagorni Karabakh, former Yugoslavia, Kurdistan, and Chechnya.⁵ There are rumors that radioactive materials have been smuggled via Tiraspol, but there are no methods to independently check them. At any rate, with the Russian peacekeepers preventing entrance by undesirable visitors into this territory, as Transdniestra authorities see it (smugglers are definitely not those in the stop lists), with the local police in the *red star* Soviet uniform, and with an odd combination of old-style communist rhetoric by the unrecognized President and mushrooming of criminal businesses, this is a juicy land for *The Sum of All Fears* kind of movie making... but this is also a place when you may feel that the fears are much real than Hollywood thrillers.

The are networking

Leaders of major Russian organized crime groups have particularly benefited from having the *pirate republics* in Russia's neighborhood. In many cases using the gray zones as bases or transit routes for the criminal transactions, Russian mafia leaders "have broadened their influence worldwide through political and business contacts which they have used to facilitate their legitimate and illicit business interests on a global scale. Since the collapse of the Soviet Union, Russian organized crime groups have spread rapidly beyond the former Soviet borders and have a presence in some 60 countries in Europe, North and South America, the Caribbean, Asia, and Africa."⁶ They have established particularly close ties with criminal groups in Italy, former Yugoslav republics, and Colombia.

Such *gray zones* in the territory of the Former Soviet Union states are the best soil possible for *entrepreneurs* like Viktor Bout. His group, according to former director for transnational threats on the U.S. National Security Council Lee Wolosky, "is probably the largest arms trafficking network in the world. Besides Afghanistan, it delivers large and small arms to all of Africa's major conflict zones [and] operates or has operated criminal cells in the United Arab Emirates, Belgium, Russia, the

United States, Rwanda, South Africa, Swaziland, Uganda, Angola, and Liberia, among other places..."⁷ A native of Tajikistan, graduate of the elite Moscow defense language institute, fluent in five foreign languages, this 35-year-old businessman, once referred to by a U.S. official as the "Bill Gates of arms trafficking", has built an empire from Aruba to Cambodia and has never had any hesitations about shipping arms and providing other support to both sides in conflict, if they paid, like he once did in Angola, supporting both the rebels and the government.

Those who are familiar with the role of Ulba metallurgic plant in Kazakhstan in the nuclear fuel cycle of that state and who still remember the origins of the "Sapphire" operation by the United States in Kazakhstan in 1994 would probably be surprised to find the name of Viktor Bout's brother, Sergei, as the owner of Air-Cess company which has provided its aircraft for the Ulba plant aviation transportation company. At the same time, it is little surprise that corruption-dominated Kazakhstan has become a safe haven for the Bouts, who actively used it as a strategic and comfortable crossroads for their operations in the failed state of the D.R. of Congo and in the gray zone of the Taliban-controlled Afghanistan.⁸

It is remarkable how easily and quickly *businessmen* like Bout find common language with the elites of the kleptocracies like Kazakhstan or *states of concern* like Libya. Bout has developed a "working relationship" with the Libyan leader Moammar Gadhaffi. Bout provided assistance when Gadhaffi negotiated the release of European hostages held in the Philippines by Abu Sayyaf, an Islamic rebel group whose leader had trained in Libya. Libya hired a plane provided by Bout to deliver the freed captives.⁹

Bout's strongest point has been the use of aviation to serve the needs of guerrillas, or terrorists, or corrupted rulers. His success story in transporting arms and goods for the Taliban, connecting it with the outer world is the best example of how one can avoid customs checkpoints whether he carries heroin, Kalashnikovs, or plutonium for sale.

Another success story of that kind was, until recently, the *pirate republic* of Chechnya. In the early 1990s, every month there were from 100 to 150 unauthorized flights of big passenger or transportation planes from its capital Grozny to Yemen, Abkhazia, Lithuania, Turkey, Iran, Jordan, United Arab Emirates, Afghanistan, and Saudi Arabia, among others. The airport in Grozny had no customs checkpoint at all. In 1991-1992, the most active drug air corridor was "Grozny-Tripoli", but later on leaders of Chechen rebels calculated that use of Russian transit bases would be much cheaper.

Information about international drug trafficking routes may give some hints for those who are involved in expertise of other kinds of illicit trafficking. For instance, Libyan security services, in cooperation with the former GDR Stasi senior officers, in 1991-1992 established a cocaine transportation sea route from the port of Buenaventura in Colombia to Tripoli and Benghazi in Libya, from where cocaine was shipped to Western Europe through terrorist groups traditionally supported in Europe by Gadhaffi. The same channels were used by the Libyans while transporting heroin from Iran and Lebanon to Europe. Members of crews were composed, as a rule, of individuals close to the IRA or ETA.¹⁰ Another example is the international heroin trafficking ring operated from the Russian territory in early and mid-1990s, with financial or transit bases reportedly located in Luangphabang (Laos) and the Caymans, as well as with links with security structures in Cambodia, North Korea, Cuba, and rebels in the Shan province of Myanmar. According to some reports, in late 1993 North Korean "comrade Khvan" involved in this criminal ring requested from his Russian counterparts to buy chemical weapons and sensitive electronic equipment. According to the same reports, the request has never been met.

The level of cooperative ties among *godfathers*, and military, security, and financial structures of the *gray zones* is impressive, particularly if we take into consideration that we can see only the very tip of the iceberg. And, enjoying the lack of attention from the international community, on one hand, and the growth of its financial

empires, on the other, the leaders of *gray zones* have already proclaimed the slogan: "Organized criminal communities and terrorist organizations of all the world unite!" This is where the process of globalization has already taken place and will soon produce its fruits, in this case, poisonous.

As a Russian senior diplomat, in charge of new challenges and threats assessment, put it, "Despite significant variations in means, methods, goals, and forms of the activities of terrorist and criminal organizations, there is a clear trend of merging of these structures, which may become irreversible. One of the signs of this threat is direct use of terror by criminal groups. Mafia and drug dealers, through terrorist acts against the state and state officials, attempt to impede investigations and implementation of governmental policies to fight them."¹¹

The Taliban, when it was in power in Afghanistan, controlled around 90% of opium production. Part of the profits from drugs were redistributed by the Taliban among the Islamic Movement of Uzbekistan, guerrillas of the United Tajik Opposition, Chechen field commanders, and the Liberation Front of Eastern Turkestan in northwest China.¹² According to some reports, made public as early as 1995, "drug trafficking groups have made attempts to acquire, in violation of international sanctions and regulations, advance technologies, weapons and some types of dual-use materials and equipment, or clearly military purpose equipment unrelated to drug business. It is mostly related to representatives of Libya, North Korea, and Burma..."¹³

They are dangerous

Detailed case studies are required before offering the prescription to cure such *gray zone* tumors. No doubt, the situation varies dramatically from zone to zone and from region to region. While in some cases surgical interference is unavoidable, in most of cases there are still ways for diplomatic solutions. The most harmful response would be, however, the ostrich pose: when one pretends that there is no problem at all.

At the same time, it is damaging for international stability if such zones are artificially established, even if the declared purpose is to have them *temporarily*. Though situation and political context of establishing such zones in Kosovo and Northern Kurdistan have been quite different, both zones are not solutions to the problem but rather delayed-action landmines. For instance, some of the reports made by Russian security analysts have concluded that, after the defeat of Iraq in the Gulf War in 1991, Northern Kurdistan has become a "free criminal zone", serving "as a critically important regional base for trafficking drugs and arms". There is little doubt that the United States would prefer not to publicly notice this problem now when the Kurds are their key partners in a future military operation against Saddam. And the leaders of Northern Kurdistan appreciate this policy of double standards. Their key partner in illicit trafficking business has been the so-called Abadan group, composed mostly of ethnic Arabs and having its roots in Iranian provinces of Khuzestan and Bushehr and later on adding Southern Lebanon to its zone of influence. The Abadan group has established particularly close links with the Hesballakh. Its main transportation routes of heroin are "Mediterranean", "Caribbean", and "Rumanian", based on the traditionally close ties between Iranian and Rumanian secret services inherited from the 1980s.

Most of the *nuclear thefts* currently reported to the International Atomic Energy Agency (IAEA) and included into its data bank may look like mere trifles in comparison to the possibilities obtained by international smugglers thanks to the transport corridors of *pirate republics* where there are neither real borders nor real customs, and where everything is sold and bought (at incredibly low dumping prices). And when one learns, for example, of multimillion deals concerning the illegal arms trade passing through the *pirate republic* of Transdnistria, is it not just the tip of the iceberg?

International organized crime communities (*mafias*), in their majority, operate according to long-established notions, and would unlikely let themselves become involved in extremely politically slippery trades with

radioactive and other proliferation-sensitive materials. As for those from *pirate republics*, this is only the amount of a possible profit from a deal that matters for them.

The international community is, perhaps, on the threshold of a new round in the proliferation cycle. And, actually, *axis* is the right word to use in this particular context. It is a threat of proliferation along the axis of non-state (or failed state) actors successfully matured in the unattended and forgotten *gray zones* of the world, and examining ways of future networking.

¹ I would like to thank Tariq Rauf, Lee Wolosky, Igor Khripunov and Dmitry Kovchegin for their comments on the draft of this article.

² Igor Plugatarev. Afghanskaya narkotsepa' ot Gindukusha do Reina. *Nezavisimaya Gazeta*, February 18, 2002.

³ *Izvestia*, March 16, 2002.

⁴ International Crime Threat Assessment. A report of the U.S. government interagency group. December 2000.

⁵ Elizabetta Burba. V Supermarkete Osamy. *Kommersant*, February 7, 2002.

⁶ International Crime Threat Assessment. A report of the U.S. government interagency group. December 2000.

⁷ Lee Wolosky. Hand over Bout! *Moscow Times*. March 6, 2002.

⁸ Oleg Turov. Tantalovy muki. *Expert*. May 20, 2002.

⁹ On the trail of a man behind Taliban's air fleet. *Los Angeles Times*. May 19, 2002.

¹⁰ Mezhdunarodnaya kontrabanda narkotikov I byvshiy SSSR. Moscow, 1995, p.13-14.

¹¹ A. Zmeyevsky. Presentation at the symposium on international terrorism and the role of the United Nations. Vienna. June 4, 2002.

¹² A. Zmeyevsky. Presentation at the symposium on international terrorism and the role of the United Nations. Vienna. June 4, 2002.

¹³ Mezhdunarodnaya kontrabanda narkotikov I byvshiy SSSR. Moscow, 1995, p.20.