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The review provides a detailed analysis of main trends in Russia's economy in 2012. The paper contains 6 big sections that highlight single aspects of Russia's economic development: the socio-political context; the monetary and credit spheres; financial sphere; the real sector; social sphere; institutional challenges. The paper employs a huge mass of statistical data that forms the basis of original computation and numerous charts.

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North Caucasus in 2012: results and risks

Investment projects and the interests of local communities

In December 2012, the Russian government adopted the "Programme for the Development of the North Caucasus Federal District (NCFD) up to 2025" (hereinafter referred to as the Programme). The total funding up to 2020 was approved at a level of 2.55 trillion RUR, and it was determined that the state budget would provide 10% of the funds, while 90% should be made up from investor funds. Note that this proportion is roughly consistent with the principle of distribution of budgetary and non-budgetary finance adopted earlier for some of the projects implemented under the Programme. Thus, of the total costs of holiday resort construction projects in the North Caucasus, 60 billion rubles out of 510 billion rubles will be financed from the budget (through the project operator: Resorts of the North Caucasus JSC (with a 98% stake owned by the Government of the Russian Federation). The State has systematically demonstrated its goal to ensure the economic development of the North Caucasus mostly through investors. They are granted tax benefits, if they register in the new special economic zones (SEZ) created in the North Caucasus, as well as government guarantees on loans granted on an individual competitive basis.

However, particular steps taken in 2012 for the implementation of investment projects in the regions of the North Caucasus Federal District (NCFD) show that a key challenge for the creation of new businesses in the North Caucasus is not the search for investors, but the social implications of the future project development. In some cases, new enterprises acquire land which was previously, in one form or another, controlled by the local communities. Moreover, the launch of new businesses will significantly change the economic traditions of the areas where they are created. Below, we consider the impact of a number of investment projects implemented in the North Caucasus Federal District on the economic situation for the local population with particular examples, and then describe the political risks arising from these impacts.

In principle, the major new projects implemented in the North Caucasus, can have both positive and negative consequences for the local people. The positive effects may include the creation of new jobs for residents of the North Caucasus republics and the creation of a market for the services that local business will provide to the new businesses. Negative effects may occur if new companies invade the established local market, depriving its members of certain economic opportunities, or that the land formerly used by local people for their own purposes (or at least considered as their "own") is acquired by new projects.

We are not aware of any examples of completed or projected enterprises, which would be developed through an appropriate strategy of economic interaction with the local population. All the examples rather suggest that at this time there is no such strategy in for this.

One example is the construction project for the AgroDagItaliya agricultural industrial park in the Babayurt Region of Dagestan, where the shareholders of the company are structures affiliated with certain Dagestani businessmen (the total cost of the project is about 14 billion

RUR)¹. This industrial park is to combine several types of production, including arable, cattle and poultry businesses. In general, the industrial park is expected to create about 16,000 jobs. 46,642 people live in the municipalities of the Babayurt Region (1 January 2011). The Region is characterised by active labour migration to the "oil" regions of Western Siberia (general statistics on the level of this migration are not available, but in the individual villages local residents estimate the proportion of men aged between 20 and 40 working in Siberia as 30-40%). Since the Tyumen Region, the Yamal-Nenets Autonomous District and Ugra are amongst the regions leading the Russian Federation in terms of wages, it is difficult to believe that a large number of residents working "in the North" are ready to change jobs to become farms workers in Dagestan, one of the outsiders in the "Salary ratings" of the Russian regions. This means that it will be impossible to provide the necessary number of employees for the newly created industrial park from residents of the Babayurt Region. The "Labour Reserves" may include people from the so-called transhumance lands, i.e. the land which in Soviet times was provided for farming on the mountain plateaux and where the current status is regulated by a special republican law². At least thirty villages are located within the boundaries of the Babayurt Region, being the municipal communities of the Dagestan mountains and others without any municipal status. According to the National Population Census 2010, the total population of these villages in the Babayurt Region is estimated at 25,579 people. Labour migration from these villages to regions with high wages is low: according to the local administration of Tsadakh village in the Babayurt Region (part of the mountainous Charodinsky District) with a total population of about 750, only 20-30 people work in Western Siberia (generally in Dagestan, it is the Nogai, Kumyks and Lezgins who migrate actively to Western Siberia, while the Avars and Laks who comprise the majority in the area within the boundaries of the Babayurt Region transhumance lands are less involved in the process). Thus, a massive changeover to employment in the new enterprise by the transhumance land dwellers is more likely than such a change for the residents of the Babayurt Region. However, if the

¹ Osnovately "Summy" Vozvrashayutsia v Dagestan // Ekspert-Yug, (Summa founders return to Dagestan // Expert South, No. 44-45(234), November 5, 2012) (<http://expert.ru/south/2012/45/osnovateli-summy-vozvrashayutsya-v-dagestan/>).

² For additional information on the transhumance lands see: K. Kazenin. Elementy Kavkaza: zemlia, vlast I ideologia v severokavkazskikh respublikakh. M.: REGNUM. 2012. P. 28-33. O protsesse pereseleniya gortsev na dagestanskuyu ravninu see: Yu.Yu. Karpov. Pereselenie gortsev Dagestana na ravninu: k istorii razvitiya prostessa I sotsiokulturnym ego posledstviyam // Yu.Yu. Karpov. Traditsii narodov Kavkaza d meniyuschemsia mire. СІІ6.: Peterburgskoe vostokovedenie. 2010. P. 402-447; M.-P.A. Ibragimov. Etnodemograficheskaya situatsiya v Dagestane v posledney treti XX – nachale XXI veka // Vestnik Dagestanskogo nauchnogo tsentra RAN. № 34. 2009. P. 48-56; A.I. Osmanov. Agrarnye preobrazovania v Dagestane I pereselenie gortsev na ravninu (20-70-e gody XX veka). Makhachkala. 2000; Yu.Yu. Karpov, E.L. Kapustina. Gortsy posle gor. Migratsionnie protsessy v Dagestane v XX – nachale XXI vekov.: ikh sotsialnie I kulturnie posledstvia I perspektivy. Sankt-Peterburg: Peterburgskoe vostokovedenie. 2011. (K. Kazenin. The elements of the Caucasus: land, power and ideology in the North Caucasus Republics. M.: REGNUM. 2012. P. 28-33. On the process of resettlement of highlanders to the Dagestani plains see: Yu.Yu. Karpov (ed.). Resettlement of Dagestani highlanders to the plain: the history of the process development and its social and cultural implications // Yu.Yu. Karpov (ed.). Traditions of the Caucasian peoples in a Changing World. S.-Pb.: Petersburg Orientalism. 2010. P. 402-447, M.- R.A. Ibragimov. Ethnic and demographic situation in Dagestan in the last third of the XXth - early XXI century // Bulletin of the Dagestan Scientific Center, Russian Academy of Sciences. No. 34. 2009. P. 48-56; A.I. Osmanov. Agrarian reforms and resettlement of Dagestani highlanders to the plain (20-70-ies of the XXth century). Makhachkala. 2000; Yu.Yu. Karpov, E.L. Kapustina. Highlanders after the mountains. Migration processes in Dagestan in the XX - early XXI century: Their social and ethno-cultural implications and prospects. St. Petersburg: Petersburg Orientalism. 2011.)

situation does not change, the launch of the agricultural industrial park may exacerbate the existing conflicts in the plains of Dagestan.

As will be shown below, it is the dispute about the transhumance land and the status of villages in this area that has become one of the central themes of life in Dagestan in recent years. The positions on these issues of activists acting on behalf of the indigenous plainsmen and activists acting on behalf of the mountain people, partly moved to the plain in Soviet times, differ significantly. If a significant part of the land in the Babayurt Region is acquired for the project, and mountain residents make up the majority of the people working there, it may intensify the debates between ethnic NGOs.

Another problematic aspect of the project is that it may hinder the economic development of poultry businesses currently existing in Dagestan. According to the project design, the poultry farm, which is intended to be one of the fundamental parts of the industrial park, will produce 50 tons of meat and 650 million eggs a year. Poultry farms which have been operating in Dagestan since Soviet times (particularly in the Buinaksk and Karabudakhkent Regions) have less capacity. Currently, their activities are complicated by conflicts over property rights, but the populations of the villages where the poultry farms are located are showing interest in resolving the disputes and resuming production at the poultry farms, where it has been stopped. Obviously, the launch of a larger poultry project in the neighbourhood may call the very possibility of such a resumption into question. In practice, this will depend on the target market of the new poultry factory - Dagestan (which the "old" poultry farms serve) or an external market. In any case, it is important that the community leaders, acting on behalf of the residents of villages where the poultry farms are located, have assessed the project negatively. For example, during the general meeting of the Cohesion Union of Public Associations (specialises in protecting the interests of the indigenous inhabitants of the Dagestan plains) held in Makhachkala on 31 October 2012 one of the speakers said¹: "I believe that there is no need to build this factory. It would be cheaper, for the Dagestan government to have considered updating the existing poultry farms. The construction of this farm is a source of dissatisfaction for the employees of the existing, non-operational poultry farms which are in need of a certain small amount of investment, as they may lose their jobs and livelihoods."

Thus, despite its attractiveness in terms of scale and the creation of jobs, the industrial park project in the Babayurt Region does not currently seem to have been thought through in respect of its interaction with the local communities and the protection of their interests. Similar problems are characteristic of an even more ambitious investment project implemented in the North Caucasus – the construction of resorts.

This can be illustrated by the Arkhyz resort which is under construction. Commenting on the development in December 2012, the President of the Karachay-Cherkess Republic (KCR) Rashid Temrezov stated that this was supposed to be all-year resort, as the many leisure options in the Arkhyz Gorge (rafting, pony-trekking, therapeutic recreation, etc.) may provide for holidays beyond the ski season. The total number of hotel rooms in the the future resort is 24,000. The main question regarding the implications of the resort for the population of the region is related to the prospects of saving the tourist business which already exists in the mountains of the Karachay-Cherkess Republic. Currently, Arkhyz without any operable skiing infrastructure is able simultaneously to accommodate about 1,000 tourists; the main accommodation locations being health resorts left over from the Soviet era (partially owned by

¹ Minutes of the Meeting courtesy of the author.

companies located outside of the region) and private mini-hotels. The Dombay Ski resort located in the adjacent valley can accommodate up to 5,000 tourists, mostly in private hotels with 10-15 to 300 rooms¹. Given the instability in the North Caucasus, entrepreneurs operating in the KCR tourist industry do not predict a significant increase in the total number of tourists coming to the region. This means that the businesses now engaged in the tourism sector will have to compete for tourists with a new infrastructurally more developed resort. And, to our knowledge, there are no proposed options for the development of the local tourist industry in cooperation with the new resort.

There are also no schemes for local participation in the food supply chain for the future resort. The level of meat production in the KCR is such that it easily covers the needs of the existing resorts. For example, the annual demand for mutton at the Dombay resort, estimated at about 5,000 animals, corresponds to the current volume of production in only in the Teberdinsky Valley adjacent to the resort. However, if the Arkhyz resort operates throughout the year, regional producers are unlikely to be able to meet its needs. This is the result of the existing animal husbandry arrangements in the KCR.

The fact is, that the local pastures with special herbal content, which affects the quality of the meat, are suitable for grazing for only about five months of the year due to the climatic conditions. The rest of the cattle are stall-fed. According to our field data, the animal housing facilities available to local farmers, as a rule, allow each to take no more than 100-150 animals for fattening. However, a large resort business, as compared, for example, to the small and mid-range Dombay hotels, will obviously be more interested in working with wholesale suppliers who can provide a regular supply with consistent quality. And according to national agricultural entrepreneurs, to provide an uninterrupted monthly supply of at least 500 sheep, a farmer requires a fairly large feeding complex - not yet available in the region. If by the launch of the resort this facility has not been created, then it is likely that Arkhyz managers will give preference to suppliers from other regions.

So, the two large enterprise projects created in the North Caucasus which we have considered, in fact do not offer any form of local community cooperation, and one of these projects could also exacerbate the existing difficulties over cooperation in the land sector. This state of affairs with the administrative support provided to the projects is unlikely to be a barrier to their implementation, but it will have negative political consequences, since the local population will not develop a conscious loyalty to these initiatives of the federal government in the North Caucasus.

Renaissance of the national movement in the North Caucasus

In 2012, in some regions of the North Caucasus, especially in Dagestan a noticeable strengthening of national social movements has been observed compared to previous years. Their involvement in local politics is not as important at the moment as in the first years after the collapse of the Soviet Union, but it is much more active than in the mid-2000s.

¹ For information on the Dombay resort economy see: I.V.Starodubrovskaya, N.V.Zubarevich, D.V.Sokolov, T.P.Intigrinova, N.I.Mironova, H.G.Mahomedov. Severniy Kaukaz: modernizatsionniy vyzov. M.: Izdatelskiy dom «Delo» (RANKHiGS). 2011. P.196–234 (I.V. Starodubrovskaya, N.V. Zubarevich, D.V. Sokolov, T.P. Intigrinova, N.I. Mironova, Kh.G. Magomedov. North Caucasus: the modernization challenge. Moscow: Delo Publishing House (Russian Presidential Academy of National Economy and Public Administration). 2011. P.196-234).

Formal and informal social movements, positioning themselves as defenders of the interests of a particular ethnic group, first loudly declared themselves in the North Caucasus in the late 1980s - 1990s. Their goals and rhetoric were substantially different from region to region. For example, in the North-West Caucasus (primarily in Kabardino-Balkaria and Karachay-Cherkessia) the national movements raised the question of changing the boundaries between ethnic subjects (in particular, the separation of Balkaria and Karachay) and on the ethnic principles of forming the government¹. In Dagestan the leaders of national movements also paid much attention to the problem of ethnic representation "at the top", but were more interested in the distribution of the disputed land on the plain.

By the mid-2000s, the activity of the national movements had obviously declined in all regions of the North Caucasus. This can partly be explained by the aging of the "agenda" of these movements. The question of changing the boundaries of the regions have not been discussed recently (the last "surge" of discussions took place during the very contentious elections of the President of the KCR in 1999). Ethnic representation of the North Caucasus republics in the government had, in general, stabilised by the middle of the second post-Soviet decade, as a result of specific informal agreements.

A subsequent revival of national movements in the North-West Caucasus occurred in the second half of the 2000s and as a result of specific reasons for each region. So, in the KCR the ethnic community leaders were involved in lobbying for the interests of certain parties in opposition to the regional elite. In the Kabardino-Balkaria Republic (KBR), the resurgence of national movements was connected with the problems which had occurred in the region due to the implementation of the "Federal Law On Local Administration", while the relationship of the national movements to the part of the local elite opposed to the Republican government was also quickly revealed.

The ethnic community structures which asserted themselves in the political life of Dagestan in 2012 are quite clearly divided into *two groups*.

The first group consists of structures desirous of a partnership dialogue with the federal and regional authorities, and of attracting the attention of the federal media. One result of such activities is the acquisition of prominent publicity for the national organisations and the legalisation of the national movements in the eyes of the authorities (the latter may occur without the unconditional support of the national movements by the authorities). Organisations in this group pay less attention to the struggle for power and property at a municipal level, land conflicts, etc.

The second group includes ethnic organisations and movements, which, to the contrary, are focused on protecting the interests of their ethnic groups in the most "local" fields, such as land tenure, local government, etc. These organisations are usually tough opposition for the Republican authorities but have no appreciable access to the federal media.

In 2012, the most prominent organisation of the first group was the *Federal Lezgin National and Cultural Autonomy (FLNCA)*². Last year, this organisation put forward some objec-

¹ See I.L.Babich. Sootnoshenie politicheskoy, religioznoy i etnicheskoy identichnosti v sovremennom kabardino-balkarskom obshestve // M.Olkott, A.Malashenko (sost.). Faktor etnokonfessionalnoy samobitnosti v postsovetskom obshestve. M.:Karnegi Tsent. 1998. P. 140–165 (I.L. Babich. The ratio of the political, religious and ethnic identity in the modern Kabardino-Balkar society // M. Alcott, A. Malashenko (ed.). Factor of ethnic and religious identity in the post-Soviet society. M.: Carnegie Center. 1998. P. 140-165).

² Incorporated in 1999 by the National and Cultural Autonomies of Siberian Lezgins, in 2007–2008 it merged with the Dagestani, Moscow and several other National and Cultural Autonomies of Lezgins.

tives which go beyond the Dagestani interior problems. The FLNCA has paid most attention to the status of Lezgins as a divided nation, after the collapse of the USSR¹, partly living in the territory of Russia (mainly in areas of southern Dagestan) and partly in the northern part of Azerbaijan. The problems of the Azerbaijani Lezgins, particularly those enclaves in Azerbaijan where Lezgins live, who are Russian citizens (Kharkh-Uba and Uryan-Uba), were the main point of discussion at the recent IV FLNCA Congress held on 9 November 2012 in Moscow². Criticising the Republican government for the unsatisfactory economic situation in the Lezgin regions of Dagestan, and the federal authorities for the poor protection of the interests of Lezgins in Azerbaijan, the FLNCA nevertheless demonstrated its desire to cooperate both with the Kremlin and the official Makhachkala. For example, in response to a call made by the Presidential Administration, during the November Congress, FLNCA leaders expressed their willingness to intensify their work with the Lezghin diaspora across Russia.

*The Avar National and Cultural Autonomy (NCA)*³ also showed certain activity in the federal public arena in 2012. Unlike the FLNCA with the Lezgin, where the community leaders and entrepreneurs living in Moscow constitute its backbone, the Avar NCA is mainly constituted of Avar intellectuals living in Dagestan. In part they moved in the "fairway" of the FLNCA in 2012. For example, in May 2012 the two organisations held a joint conference in Moscow⁴ on the problem of the division of the Caucasian peoples (Avars live in the northern part of Azerbaijan along with the Lezgins). The activities of the Avar NCA cannot but reflect the fact that there are influential municipal Avar administrators in Dagestan, having political ambitions at a Republican level and not always finding a common language with the regional government. In this regard, there was the situation with the failed "Congress of Lezgin and Avar Peoples" planned for October 2012 in the Dagestani town of Khasavyurt, with its head, Saidpasha Umakhanov, being the most prominent representative of the "Avar Club" of municipal heads. He has repeatedly criticised the current government of the region, and at least since the mid-2000s has been considered a potential candidate for the highest office in Dagestan. Information on the preparation of the Congress appeared in the federal media on 24 September 2012 but two days later was denied by the Khasavyurt Mayor's Office⁵. According to our information, the Congress was actually prepared by activists of the Avar NCA, but it has been delayed due to disagreements between the organisers. Whether Umakhanov's team was involved or not, this situation confirms that the logic of development of the Avar national movement inevitably raises the question of its interaction with the Avar political "heavy-weights".

The *second group* of ethnic organisations primarily serve on land issues. Their work is mainly focused on the support of local communities who have land claims. In 2012, increased

¹ For additional information see: M.E.Alekseev, K.I.Kazenin, M.Suleimanov. Dagestanskije narody Azerbaidzhana: politika, istoriya, kultura. M.:Evropa. 2006 (M.E. Alekseyev, K.I. Kazenin, M. Suleymanov. Dagestani peoples of Azerbaijan: politics, history, culture. M.: Europe. 2006).

² Uchastniki syezda FLNKA raskritikovali dogovor Rossii i Azerbaidzhana o gosgranitse // Kavkazskiy uzel, 11 noyabrya 2012 (Members of the FLNCA Congress criticized the treaty on the state border between Russia and Azerbaijan // Caucasian Node, November 11, 2012) (<http://www.kavkaz-uzel.ru/articles/215543/>).

³ Registered at local level, it is currently being registered at the federal level.

⁴ V Moskve obsudili problem dagestantsev, prozhivaiushih v Azerbaidzhane (The problems of Dagestan people living in Azerbaijan were discussed in Moscow) // IA REGNUM, May 18, 2012 (<http://regnum.ru/news/1542825.html>).

⁵ Syezd lezgin i avartsev ne budet prokhorit v Khasavyurte (Congress of Lezgin and Avar Peoples will be held in Khasavyurt) // IA REX, September 26, 2012. (<http://www.iarex.ru/news/29496.html>).

activity in this field in Dagestan showed, in particular, the Cohesion Union of Public Associations protecting the interests of the peoples of the plains (primarily Kumyks and Nogai). The ideology of this organisation is based primarily on their criticism of the current status of the transhumance land (on this status, see Section 6.7.1). The Activists of Cohesion argue that the land, with a total area close to 1 million hectares in the Dagestani plain was unfairly taken from the plain regions and the majority of it is not used for its legitimate agricultural purposes, being the source of rent for small groups of officials from the mountainous regions of Dagestan. Opponents of Cohesion, mainly represented in public by the heads of several villages located in the transhumance lands, indicate that the mountain peoples of Dagestan had put a lot of work into the development of these lands during the last Soviet decades, and therefore have no less rights than the plain "autochthons". Along with Cohesion, the public interests of the latter group are protected by ethnic NGOs - Nogai Birlik and Kumyk Tenglik¹.

In 2012, there were at least two notable actions on land issues by the Dagestani plain peoples. Interestingly, in both cases, the transhumance land was not the immediate object of the conflict. In the spring of 2012 residents of three Kumyk settlements in the suburbs of Makhachkala (Alburikent, Kyakhulay and Tarki) started a protest action. They camped on the land to the north of Makhachkala, which, until 1944, had belonged to these villages but has now been sold to private individuals for development². In 1944, the residents of these three villages were resettled on the land left vacant after the deportation of the Chechens; upon the return of the Chechens in 1957, the residents of the villages returned to their homes, but the land to the north of Makhachkala has not been returned to the villages. In the vicinity of the disputed land there is also the territory, which in early 1990 was allocated for the resettlement of residents of the Novolaksk region of Dagestan, where the Chechens claimed their right to the land near the Dagestan-Chechen border.

The camp created in spring 2012 lasted for 2 months, and residents of the settlements later conducted several meetings in the same area. The immediate issue in this case was about 200 hectares of land, which is not going to be used for agricultural purposes either by the current owners or by the villagers. However, representatives of the NGOs, denouncing the existing system of land relations in the Dagestan plain, in general supported the protests and participated in the negotiations between the organisers and the Republican authorities (as of the end of 2012, these negotiations had seen no particular results).

A kind of response to the Kumyk actions was the Congress of Lak people held in Makhachkala on 28 September 2012. This Congress, attended mainly by opposition community leaders, demanded the unconditional implementation of the decision to grant the land to the immigrants (people of the Novolaksk Region) and harshly criticised the regional authorities for the delay in this matter³. Due to the proximity of the relevant land, the claims of Lak and Kumyk community members are inevitably interdependent and conflictual to some degree.

Another example of the mass action of plainsmen on land issues took place in the Kizlyar Region where, in the summer of 2012, the Nogai people living in Novokrestyanovskye village

¹ For additional information on debates on the transhumance lands see: K.Kazenin. *Elementi Kavkaza: zemlya, vlast i ideologiya v severokavkazskikh respublikah*. M.: REGNUM. 2011. P. 47–50. (K. Kazenin. *The elements of the Caucasus: land, power and ideology in the North Caucasus Republics*. M.: REGNUM. 2011. P. 47–50).

² V Makhachkale trebuyut kompensatsii za stalinskie pereseleniya (Makhachkala seeks compensation for the resettlement in the Stalin era) // IA REGNUM, May 5, 2012. (<http://regnum.ru/news/1526698.html>).

³ V Dagestane obsuzhdayut situatsiyu vokrug Novolakskogo rayona (Dagestan discusses the situation with the Novolaksky district) // IA REGNUM, October 2, 2012. (<http://regnum.ru/news/1576855.html>).

came into conflict with a company which had taken on the lease of part of the land adjacent to the village. On 21 June the residents came to a ploughed field on the outskirts of the village and stopped the working machinery owned by LLC Dag.agrokomplex¹. The reason for this protest action was the illegal (in their view) decision of the district administration to assign, by way of tender, the right to lease the land around the village to the external investor, while there was already a lack of land appropriate for the needs of the villagers. Note that according to our observations, in legal terms the situation in Novokrestyanovskoye, is typical of lowland Dagestan and may be repeated many times during the allocation of land for major agricultural projects: on the basis of the documents issued in 1990 residents of the village consider themselves to be the owners of shares in the former collective or state farm land, but due no survey having been carried out and ownership not being properly registered, the residents can not substantiate their claims to the land. A Kizlyar district administration official explains the problems as follows: "When these certificates were issued, it was assumed that the recipients of the certificates would organise farm holdings, be farming on a professional basis and paying taxes to the district budget. But almost none of the villagers registered their rights to the land, established farm holdings or paid land taxes".

The Novokrestyanovskoye conflict was partially resolved by direct negotiations between representatives of the villagers and the agricultural firm. Republican NGOs did not participate in it. However, it is important to consider that the Nogai NGOs showed their ability to become actively involved in land conflicts in 2011, when, with their support, residents of the Nogaisky district forced the investors to terminate construction of a sugar beet plant linked to proposed cultivation on the major part of the croplands².

In 2012, also, the KBR public activity related to land issues was mainly manifested at a municipal level, but regional ethnic organisations also participated in it. This activity was mainly related to the allocation of land for future resort construction. In January 2012, residents of three villages in the Cherek District of the KBR formed a working group of 12 people for public control over the implementation of a tourist cluster project. As previously reported, Resorts of the North Caucasus JSC (RNC JSC) planned to build a resort in this area with 170 kilometres of ski slopes³ and capable of simultaneously accommodating 15,000 tourists. According to the company, some resort facilities will be located in the area of the Khulam-Bezengi Gorge. A part of the land in the valley is owned by the agricultural FSUE, but Bezengi villagers say that the land originally belonged to them and insist that any agreement on the allocation of land for the tourist cluster must be entered into with the village, and that the village representatives must control the project at all stages of its implementation.

Later, in November-December 2012, land disputes came to the surface in the Zolsky District of the KBR. On 22 November the Government of the Republic announced the completion of the procedure for defining a special economic zone in the region (SEZs are established in all districts of the KBR where actual or planned resort construction projects are implemented). Almost simultaneously, a number of deputies of rural settlements in the Zolsky District

¹ Aslanbek Adiev. Poluchat li «nemestnie» dustup k zemle na Severnom Kavkaze? (Aslanbek Adiev. Will the "non-locals" have access to land in the North Caucasus?) // IA REGNUM, July 27, 2012 (<http://regnum.ru/news/1554910.html>).

² V Tarumovskom rayone Dagestana realizuetsya proekt vozvedeniya sakharnogo zavoda // Kavkazskiy uzel (The construction project of a sugar factory is implemented in Tarumovsky district of Dagestan // Caucasian Node), January 20, 2012 (<http://www.kavkaz-uzel.ru/articles/199601/>).

³ Nezavisimaya gazeta (Nezavisimaya Gazeta), No.174, 29.08.2012.

reported to the media that village deputy meetings had "vetoed" the activity of RNC JSC in the district, as the question of which land would be transferred to the tourist cluster had not been resolved. In response, the heads of the same villages said that the residents of the villages were not against the construction of resorts, and that the land issues had not been resolved since RNC JSC had provided no solutions in this regard¹.

The land issues which have caused public reaction in the KBR are currently unresolved. Further discussion will apparently take place against the background of land reform proposed by the President, Arsen Kanokov. Kanokov formulated the essence of the reform at the end of 2012 as follows: "The land is allocated and legally registered to the private ownership of particular groups of villagers, where the management practices are diverse, agricultural land cannot be split up into parcels of less than 10 ha, meaning that effective large and medium businesses will be preserved"².

In whatever format the land reform is discussed, we might expect that it will be actively influenced by regional NGOs, primarily the Balkar, as the areas for future resort construction are dominated by Balkars. They also support protests "on the ground". In particular, according to the media, Balkar activists of the public organisation the "Council of Elders of the Balkar People", together with the former head of Bezengi village, Muradin Rakhayev (in 2010 they pursued the "Hunger strike of the Balkar elders" outside the walls of the Kremlin), have played a significant role in the actions of the inhabitants of the Cherek District. Thus, forces which can transform a local protest in an aspect of regional policy are also present in the KBR. The peculiarity of this Republic is that ethnic community leaders are usually actively involved in political projects aimed against the regional authorities. In addition, according to past experience, the activities of NGOs acting on behalf of the various peoples of the KBR, can lead to a confrontation between them. The region has developed a whole tradition of controversy between the social activists acting on behalf of the Balkars and the social activists acting on behalf of the Kabardins. The former insist on the full transfer of the mountain lands to the Balkar villages whilst the latter recall the controversy of "ethnic borders" in the mountains, and that of the Soviet era and where previous inhabitants of the neighbouring valley could enjoy the mountain land in the vicinity of Elbrus³. These contradictions are of direct relevance to the land proposed for construction of the new resort.

Thus, major land allocation for new projects in the Dagestan plains and mountains of the KBR are causing protests amongst the local population and can be catalysts for political upheaval on a larger scale. Republican NGOs speaking from an ethnic point of view have been directly involved in a number of the conflicts mentioned herein. Some of these organisations have victories to their credit in land battles at a municipal level. Thus, the implementation of

¹ Deputati Zolskogo rayona ne zapreshali stroitelstva turklastera (Deputies of the Zolsky District did not prohibit the construction of the tourist cluster) // IA REGNUM, December 4, 2012. (<http://regnum.ru/news/1600606.html>).

² Zemlua dolzhna stat rynochnym instrumentom – glava KBR (The land should be a market instrument - the head of the KBR) // Interfax, October 24, 2012 (<http://www.interfax-russia.ru/South/main.asp?id=355348>); for the background of the land reform in KBR see: K.Kazenin. «Tikhie» konflikty na Severnom Kavkaze: Adygeia, Kabardino-Balkariya, Karachaevo-Cherkessia (K.Kazenin. "Quiet" conflicts in the North Caucasus: Adygea, Kabardino-Balkaria, Karachay-Cherkessia.). M.: REGNUM. 2009. C. 81–110.

³ For additional information see: K.I.Kazenin. Kabardino-Balkarskaya Respublika // I.G.Kossikov (sost.). Respubliki Severnogo Kavkaza: etnopoliticheskaya situatsiya i otnosheniya s federalnim tsentrom. M.: Makspress 2012. (K.I. Kazenin. Kabardino-Balkar Republic // I.G. Kosikov (ed.). Republics of the North Caucasus: ethno-political situation and relations with the federal center. M. Max Press. 2012.). P. 183–212.

large investment projects in the North Caucasus is increasing the role of ethnicity in local politics, which, could obviously lead to an overall increase in conflicts in the region.

In addition to supporting the protests of local people on land issues, some of these organisations have participated in the opposition's political projects. For example, representatives of the Solidarity movement were present at the "Congress of Dagestani Peoples" held in Moscow in October 2012¹, organised by a number of ex-officials of Dagestan and critical of the republican authorities. In addition to organisations claiming to be the defenders of entire ethnic groups the Congress also invited the representatives of many public structures (mostly without official registration) engaged in anti-corruption activities, or protecting the interests of residents in conflict with officials and businessmen. An example is the "Anti-Corruption Committee of the Tabasaran District" who presented at the Congress. Such social activist unions are not directly ethnic, but as a rule, they act on behalf of mono-ethnic groups.

Thus, ethnic social structures have formed a kind of a "division of labour": some are actively opposed to the authorities and protect the interests of communities, whilst others legitimise a new high level of national movements in the public arena. Currently, these two processes are almost independent of each other, as there is no visible evidence of cooperation between these structures. But if they begin to interact with each other, this will lead to the formation of ethnic social structures that will combine publicity experience at a federal level and the support of local communities. The opportunities for such structures will inevitably be wider and the "elements" that are required to create them² already exist.

Dagestan: the dynamics of intra-confessional relations in Islam

In terms of attempts to decrease the level of conflict in the North Caucasus region, the most visible and dramatic events took place in the Republic of Dagestan. Given the crisis of the forms of settlement³ used previously, which manifested itself in the reduction of the institutional role of the Commission in assisting previous terrorists, who have given up their extremist activities in the Republic of Dagestan, to adapt to civilian life, and the public discrepancy in the views of its members on the principles and strategy of this authority, a completely different settlement process began to develop.

¹ Dagestanskaya oppositsiya otpravilas v Moskvu razroznennimi gruppami (Dagestani opposition went to Moscow in separate groups) // IA REGNUM, October 24, 2012 (<http://regnum.ru/news/1585835.html>).

² For additional information on the ethnic factors of contemporary conflicts in the North Caucasus see: I.V.Starodubrovskaya, D.V.Sokolov. *Istoki konfliktov na Severnom Kavkaze*. M.: Izdatelskiy dom «Delo» (RANKHiGS) (I.V. Starodubrovskaya, D.V. Sokolov. *The origin of conflict in the North Caucasus*. M.: Delo Publishing House (Russian Presidential Academy of National Economy and Public Administration)). 2013. P.78–128.

³ In November 2010, the President of RD created the Commission to support of persons who have decided to stop their terrorist and extremist activities in the Republic of Dagestan in adapting to civilian life in the territory of the Republic of Dagestan." The Commission was headed by Deputy Prime Minister of the Republic of Dagestan, Rizvan Kurbanov (now the Deputy of the State Duma of the Russian Federation). The Commission includes the heads of the security forces of the region, a number of ministers, representatives of the civil society and the religious community of Dagestan. 37 persons applied to the Commission during the 1.5 years, 32 claims were satisfied. It reviewed more than 100 claims of citizens related the violation of their rights by the law enforcement agencies, all applicants received legal support (see: Yulia Rybina. *V Dagestane boevikov adaptiruyut k miru* (Julia Rybina. *Dagestani militants are adapting to the peace life*). 20.04.2012 07:29. <http://kavpolit.com/v-dagestane-boevikov-adaptiruyut-k-miru/>). The Commission's activities have received some public recognition, there have been cases when militia men put down their arms and surrendered to the authorities under the guarantee of Rizvan Kurbanov, Chairman of the Commission.

One of the principal lines of division in Dagestani society, and in the North Caucasus in general, is the intra-confessional conflict of the Sufi¹ and Salafi (the more common, though incorrect name is the Wahhabi) movements of Islam. The Salafi movement was mainly a form of youth social protest in the region. Its confrontation with the Sufis seems to be one of the greatest sources of the continuing violence in the region. Not so long ago representatives of the "official Islam" in Dagestan said that any person who killed a Wahhabi would go to heaven. Even the external signs of belonging to the Salafi movement (particular form of beard, or short trousers) could be and often were the basis for repression by the security forces. At the same time the most frequent targets of terrorist attacks were, not only representatives of the law enforcement agencies, but also the most prominent Sufi religious leaders (sheikhs).

Against this background, the meeting and joint Friday prayers of moderate (legal) Salafis and the Spiritual Administration of Muslims of Dagestan (DUMD) held on 29 April 2012 at the Central Mosque in Makhachkala seemed a breakthrough in the settlement of the intra-confessional division. The meeting was chaired by Magamedrasul Saaduev, Imam of the Central Mosque. Moderate Salafis were represented by the Ahl-Sunnah Association of Scientists. Ahl-Sunnah combines dozens of religious Salafi leaders who do not accept violence in the struggle for the victory of Islam, and are focused on the dissemination of their ideas about the true faith through peaceful preaching. Representatives of both movements spoke at the meeting, as well as the Mufti of Dagestan. The resolution adopted by the meeting included, as important practical requirements, a ban on Muslims reproaching each other, tracing and informing on Muslims, as well as the prohibition of Dagestanis from travelling abroad to study in Islamic universities.

Following the meeting in the Central Mosque in Makhachkala similar events aimed at intra-confessional consent were held throughout Dagestan. On 11 June 2012, in the Tsumandin Region several events were held involving the Mufti of Dagestan, district activists and local Salafis. Resolutions adopted on the basis of these events were, in general, made in the spirit of the Makhachkala resolution from 29 April, not repeating it but adding several new aspects to the possible ways of settlement, including:

- To consider establishing a fund to assist families affected during intra-confessional conflicts;
- To consider a joint request to the Ministry of Justice for the abolition of the "Law on Wahhabism";
- To discontinue the practice of prosecuting Muslims for the possession of religious literature, as this should not be a justification for prosecuting a person for extremist activity.

These new trends in intra-confessional relations were discussed in the monthly report by E.T. Gaidar's IEP entitled "The Economic and Political Situation in Russia in June 2012". In answer to the question as to whether we can assume that the steps taken for the settlement of the intra-confessional conflict could fundamentally change the situation in the Republic and put an end to the armed confrontation, the Report stated that "it is too early to draw such conclusions," and suggested that the most likely scenario is the "strengthening of an open division between the Salafis and Sufis regarding the issue of termination of the confrontation"². Unfortunately, life has completely justified this quite pessimistic forecast.

¹ Sufism is a mystical branch of Islam, which implies unquestioning obedience of believers (murides) to Sheikhs having the mystical knowledge. It has developed within the Sufi orders (Tariquas).

² Starodubrovskaya I.V. Dagestan: neprosotoy vopros uregulirovaniya //Ezhemesyachniy obzor Instituta ekonomicheskoy politiki imeni E.T.Gaidara «Ekonomiko-politicheskaya situatsiya v Rossii v iyune 2012»

An increase in violence in the country occurred simultaneously with the unfolding of the intra-confessional settlement process. In August 2012 a number of law enforcement officials and religious leaders were killed. On 18 August there was an attack on a Shiite mosque in Khasavyurt, leaving one person dead and several injured. However, the most resonant crime was committed on 28 August - Sheikh Saeed Chirkeisky was killed. He was the most ambitious figure of the contemporary Sufi movement in Dagestan. According to different estimates, he had from a few dozen to several hundred thousand followers (murids), including the DUMD management and some members of the Republican government. He was seen as the centre and symbol of the shadow power structure¹. The Sheikh died at his home in Chirkei village, bombed by a female suicide bomber (an ethnic Russian) who came to his house in the guise of a pilgrim. The blast killed six other people, and several victims had to be taken to hospital. The Sheikh's funeral gathered more than 100,000 people.

This crime has caused shock in Dagestani society, and not only amongst the religious community. The predictions were particularly disappointing. The local press emphasised that a few days after the tragedy there was not a single expert commentator on the murder who would not have predicted a sharp aggravation of the situation in Dagestan². Journalist Yulia Latynina compared the crime with the hypothetical situation of the murder of the Pope in the middle of a war between Catholics and Protestants, and noted that the consequences of this event greatly increased the chance of catastrophic scenarios for the coming autumn³. The catastrophic scenarios failed to materialise. Yet the crime revealed many hidden processes in Dagestani society in general, especially in the religious community, and had a major influence on the future development of the situation.

First of all, mass violence on religious grounds between the murids of Saeed Chirkeisky and the Salafis was avoided, which, in fact, could have instigated an escalation of violence in society in general. In the days following the tragedy both sides showed an enviable wisdom and restraint. A few hours after the death of the Sheikh almost all prominent Muslim leaders in the Republic harshly condemned the murder, regardless of their confessional affiliation⁴. The Ahl Sunnah Association expressed its condolences to the relatives and friends of the victims and adopted a Statement which, *inter alia*, said: "Despite the fact that we had a number of disagreements with the dead, we have never supported such methods of solving disagreements, and we stated this during the joint meeting with DUMD. All disputes must be settled by scientific debate, we have called for and encouraged it. This is our principled position. The murder did not happen by chance at the time when the dialogue between the different groups

(I.V. Starodubrovskaya. Dagestan: complex settlement issue / Monthly Bulletin of the Economic Policy Institute named after E.T. Gaidar. Economic and political situation in Russia in June 2012). P.60. http://www.iep.ru/files/text/trends/Russian_economy_trends_and_perspectives_in_June2012.pdf

¹ Akhmedova M. Zhertva primireniya. Za chto ubili samogo uvazhaemogo cheloveka na Severnom Kavkaze // «Russkiy reporter» №35 (264) 06 sen 2012 (M. Akhmedova. The victim of reconciliation. What killed the most respected man in the North Caucasus? // Russian Reporter, No. 35 (264) September 6, 2012) http://expert.ru/russian_reporter/2012/35/zhertva-primireniya/

² Agaev M., Magomedov R. Nachalo kontsa?!//Chernovik (M. Agayev, R. Magomedov. Is it the Beginning of the End? // Draft). 31.08.2012. <http://old.chernovik.net/news/507/REPUBLIC/2012/08/31/14040>

³ Latynina Yu. Vtoraya faza dzhikhada. Ubiystvo sheikh Saida Afandi –nachalo novogo nastupleniya islamskich radikalov // Novaya Gazeta (J. Latynina. The second phase of Jihad. The assassination of Sheikh Said Afandi - the beginning of a new offensive of Islamic radicals // Novaya Gazeta). 29.08.2012. <http://www.novayagazeta.ru/society/54194.html>.

⁴ See: Nerealnaya realnost... //Redakciya «Chernovik» (Unreal reality ... // Draft Editorial). 23.08.2012. <http://old.chernovik.net/news/506/News/2012/08/23/14012>

of Dagestani Muslims was developing. ... At the same time, the proponents of force against the growing influence of Islam have found their place in a number of authorities. They are trying to derail the peace process in different ways. In this regard, the Ahl Sunnah Scientific Association in Dagestan declares that the murder should not affect the dialogue process developing in the country. We look forward to the continuation and development of this process¹". The Imam of the Central Mosque in Makhachkala, M. Saaduev, acting on behalf of the Sufis called on them to take a balanced position: "I appeal to the youth. Be tolerant, be wise, do not lose your heads. ... The peace process in Dagestan among believers will not be disrupted in any case. We will not allow this. We have come a long and hard way to the dialogue. We, the Sufis, know that among the Salafis there are moderate people, good people, and there those who are sick, as in any movement, in any religion, of any nationality. One group must not be punished for the actions of others. Any "retaliation" is barred and unacceptable... Do not play us off!"². Even the underground movement offered not to jump to conclusions about the person who committed the crime³.

The belief that this crime was particularly advantageous to those who were trying to disrupt the intra-confessional dialogue was dominant. The security forces and the "forest" were most frequently accused (although there were also more unusual versions of what had happened: the redistribution of the hajj market, a plot by "third forces"). Let us consider some examples of typical statements by experts and the community leaders of the Republic made in the first days after the tragedy: "This killing may involve Salafi followers from the small group arguing against the convergence of Islam, which took place in Dagestan early this year. The security forces may also be involved, as they would like to destabilise the situation in the Republic. It is possible that this is yet another provocation"; "People who are not benefitting from the association of different Islamic movements in Dagestan may stand behind the murder," "I think that the "forest" stands behind it. They killed the spiritual leader of the opposing side. The killing of enemy leaders is one of the goals in any war. This is another act of the hidden war in Dagestan;" "This is a political murder, a great provocation. ... If not directly, then indirectly, the state is responsible for the possible consequences. ... Why did it happen now, when Sufis and Salafis were coming to an understanding, to constructive dialogue?"⁴.

¹ Mirniy process dolzhen prodolzhtsya. Zayavlenie Associatsii uchenykh Akhlyu-Sunna v Dagestane v svyazi s ubiystvom Saida Chirkeysogo I ego posledovateley // Kavkazskaya politika (The peace process must continue. Dagestani Ahl-Sunnah Association of Scientists' statement in connection with the murder of Saeed Chirkeisky and his followers // Caucasus Policy). 29.08.2012. <http://kavpolit.com/mirnyj-process-dolzhen-prodolzhtsya/>

² Magomedov A. Luchshe khudo-bedniy mir, chem voyna! // Chernovik (A. Magomedov. The poor peace is better than war! // Draft). 7.09.2012. <http://old.chernovik.net/news/508/POLITICS/2012/09/07/14057>. Note how Abbas Kebedov's words (Salafi representative) resonate with this call: "I call all Dagestani people for restraint and responsibility, do not let brothers kill each other! We vented to each other for somebody's own purposes". (Tambiyeva M. Podryv tarikata: Kavkazskie eksperty prognoziryuyut obostrenie situatsii v Dagestane posle ubiystva sheikh Saida-afandi Chirkeysogo // Kavkazskaya politika (M. Tambiyeva. Undermining Tariqa: Caucasian experts predict worsening of the situation in Dagestan after the assassination of Sheikh Saeed Afandi Chirkeisky // Caucasus Policy). 29.08.2012. <http://kavpolit.com/podryv-tarikata/>)

³ See: Magomedov A. Luchshe khudo-bedniy mir, chem voyna! // Chernovik (A. Magomedov. The poor peace is better than war! // Draft). 7.09.2012. <http://old.chernovik.net/news/508/POLITICS/2012/09/07/14057>.

⁴ See: Tambiyeva M. Podryv tarikata: Kavkazskie eksperty prognoziryuyut obostrenie situatsii v Dagestane posle ubiystva sheikh Saida-afandi Chirkeysogo // Kavkazskaya politika (M. Tambiyeva. Undermining Tariqa: Caucasian experts predict worsening of the situation in Dagestan after the assassination of Sheikh Saeed Afandi Chirkeisky // Caucasus Policy). 29.08.2012. <http://kavpolit.com/podryv-tarikata/>.

The idea of the provocative nature of the crime was extremely widespread. And the statement of one radical Islamist group which appeared, finally claiming responsibility for the killing of the Sheikh, did not convince many people: "both Sufis and Salafis commonly say that this was a provocation that sought to prevent the dialogue amongst Muslims. In the Facebook "Dialogue Venue Group" created by the DUMD representatives, its members, in discussing the news that the rebels have claimed responsibility for the killing of the Sheikh, were in little doubt that it was part of a provocation"¹. However, following the announcement, the situation began to change rapidly. The subsequent period was characterised by three main processes.

First: Dagestan's official Islamic structures began to shift the responsibility for the death of Saeed Chirkeisky to their recent negotiating partners. The campaign was launched through an article by Patimat Gamzatova (the spouse of the Mufti of Dagestan and CEO of the media holding of the Spiritual Administration of Muslims of Dagestan) entitled the Hudaybiyyah "Peace" Treaty and published on 2 September 2012². The publication caused shock in the Republic's public arena as is shown by several key features.

First, the article provides almost no distinction between the moderate and radical Salafis, the thesis that there is no connection of the moderates with the "forest" was declared a hypocrisy. And everybody is called Wahhabis as in the "best" times. The author writes with random characterisation of her opponents: "Hypocrites, whose hands are stained with blood! Those who do not have the balls to kill are happy just to be part of a movement which includes those who are capable of killing Muslims, of bringing harm to Islam, of splitting the Ummah! And they do not have enough brains even to hide their vulgar fun." The article is full of accusations and insults to moderate Salafis.

Secondly, it is argued that Sheikh Saeed Chirkeisky initially supported the negotiations, and that the DUMD management participated in peacekeeping activities as directed by him. However, two days before his death, he changed his mind and condemned the steps taken to expand the access to the media of his opponents, claiming that the Wahhabis would never change their nature.

Third and finally, the author came to a clear conclusion on the refusal of further negotiations and the termination of the settlement process as being the fault of the opposite party. Describing the position of Saeed Chirkeisky, the author states: "Even coming close to death, he tried to give a chance to the Wahhabis, to hold out the hand of peace. ... But they did not use it! They buried it with the Islamic scholar, Sheikh Saeed-Afandi, in Chirkeisk cemetery".

The article resulted in many negative reviews in the press, representatives of the Ahl-Sunnah Association refused to comment on it and attempted to downplay its significance. But it is clear that the religious settlement process in the Republic was irreparably damaged.

Second, such a serious difference in the positions of the representatives of the Spiritual Administration on negotiations with the Salafis revealed clear differences and conflicts in the official Muslim structures in Dagestan. The ins and outs of this process became more evident

¹ Magomedov A. Khudeybiyskiy dogovor ili Verbluzhya bitva? // Chernovik (A. Magomedov. Hudaybiyyah Treaty or Camel fight? / Draft). 7.09.2012. <http://old.chernovik.net/print.php?new=14068>. Note that the proof of the militants' involvement in the crime was its inclusion in the general warfare summary of Mujahideen in the Caucasus Emirate for Dagestan Wilayah.

² Gamzatova P. «Khudaybiyskiy» «mirniy» dogovor (P. Gamzatova. "Hudaybiyyah" "Peace" Treaty) // Islam.ru. 2.09.2012. <http://www.islam.ru/content/analytics/5140>. Note that a few days before Novaya Gazeta had published the article by Julia Latynina, "The second phase of Jihad", with the same line: "The murder of Saeed Afandi is a logical consequence of the capitulation to the Salafis by the current management of Dagestan".

after the publication of the Murid Statement¹ on social networks, which contained harsh accusations against the Imam of the Central Mosque in Makhachkala, Magamedrasul Saaduev. The Imam was accused of incompetence ("It was said that he could not even prepare his own preaching"), of leaning towards the Wahhabis ("he is considered the Wahhabi imam among Wahhabis, and somebody else among the Sufis") and on his reluctance to terminate the dialogue with them, which, according to the authors of the statement, meant hypocritical grief at the death of Saeed Chirkeisky ("a heartbroken imam, without sorrow on his face, when expressing his condolences at the Jamaat mosque, said that: "we will not fight despite everything"). But the essence of the statement becomes clear when the murids come to the main accusations: "The reason that our patience is exhausted is the news that is known to all residents of Makhachkala. Government officials made a secret plan, jointly with the Wahhabis, proposing the removal of the acting mufti from his position and the appointment of Saaduev, who knew about it, agreed and hid that information".

The next day after the murid statement Gamzatova, the author of the sensationalist article, interviewed Saaduev². In this interview Saaduev denied his desire to become the Mufti: "A few months ago a thought crossed my mind - that I would like to become a mufti, etc. This was so irrelevant and pointless that I immediately put a stop to it at its root. ... For myself, I already have enough burden on my shoulders, let Allah give me strength to cope with the work of being the Imam of this mosque with a large number of parishioners". He also had to admit the failure of attempts to negotiate with the Salafis, "But you know how this attempt ended. Only Allah knows what's next" (earlier in the interview it was mentioned that Saaduev had previously tried to engage with his religious opponents).

Obviously, the murder of Saeed Chirkeisky intensified the power struggle between the different factions within the Spiritual Administration and has been used to hinder any kind of competition with the management of the Mufti Administration³. Once, it was reported that DUMD supporters were willing to admit the Mufti as the successor of Saeed Chirkeisky with the status of a Sheikh.

Third: the death of Said Chirkeisky further increased the tensions in the Salafi camp. The expressions of condolence by a number of prominent members of the moderate Salafi on the death of the Sheikh, their willingness to participate in his funeral and statements on their complete rejection of the methods of terror⁴ thoroughly exacerbated the relationship between the moderate and radical parts of the movement. The statement of the radical group, which claimed responsibility for the killing of the Sheikh, also contained an appeal to the moderate Salafis, who, according to the radicals, "openly transgressed the borders": "We separately

¹ Murid Statement. Published on facebook.com (<http://www.facebook.com/profile.php?id=100004415792614>) and livejournal.com (<http://baikonur113.livejournal.com/122280.html>).

² See: Gamzatova P. Vse tochki nad «i» (P. Gamzatova. All the "i"s). Ac-sunna.rf – Islamic education site.20/09/2012/ <http://as-sunna.ru/index.php/stati/221--lir>

³ It should be noted that in the course of the study various Islamic wings positively assessed Saaduev arguing that he was a prominent religious leader of the different movements and could significantly advance the intra-confessional dialogue in the country.

⁴ Thus, in response to Patimat Gamzatova's characteristic of the suicide bomber - "inhuman parishioner of the Kotrov mosque"- Imam of the Salafi Mosque in Kotrov Street in Makhachkala said only that he had not seen a girl accused of murdering the Sheikh in the mosque, but also that "criminals have no religion" (Fatullaev: dialog mezhdu sufiyami i salafitami v Dagestane neizbezhen // Kavkazskiy uzel (Fatullayev: The dialogue between Sufis and Salafis in Dagestan is inevitable // Caucasian Node). 12/09/2012, <http://www.kavkaz-uzel.ru/articles/212501/?print=true>).

want to appeal to the so-called Ahl-Sunnah wal Jamaa Association of Scientists. We do it openly because they have also made these statements in public. You are ignorant! How can you judge? Mushrik, who seduced hundreds of thousands of Dagestani, is a brother Muslim to you and his murder is a provocation through the intrigues of our enemies"¹. After Gamzatova's article was published, comments and threats against her appeared on the website of the radical Salafis, together with even more severe charges against the moderate wing of the movement. Stressing that the radicals did not have any regard for the intra-confessional dialogue ("spontaneous actions of these people") and categorically stood against its further development (which is regarded as a betrayal of Jihad by the radicals), the authors actually sided with the hypocrisy accusations of the moderate wing: "In this appeal we also want Muslims to open their eyes to the behaviour of the so-called Ahl-Sunnah Association of Scientists. Many of them are unscrupulous people occasionally showing signs of hypocrisy, and Patimat was not the only one who noticed it in them. Besides the fact that some of them openly expressed their grief over the killing of this Mushrik in their statement, they decided to go to Chirkey, to offer their condolences. The only thing that will stop them is a ban of the host"². This was followed by a list of eight names who wanted to bid their final farewells to the Sheikh.

Such aggravation of the confrontation revealed the instability of the positions of a number of moderate Salafis, who began to deny their previously defended position, and said that views and actions they did not commit were falsely attributed to them and they recanted them. The Ahl-Sunnah Association of Scientists prepared one of the most influential religious leaders of the Salafi movement - Abu Umar, who had been harshly criticised by the "forest"³. According to the available information, the crisis led to the withdrawal of a significant part of the educational activities of the peaceful Salafis.

Thus, our analysis shows that the killing of Saeed Chirkeisky has exacerbated the already existing problems and has created new contradictions in the religious environment of the Republic of Dagestan. The result is that the "balance of power" has undergone significant changes, the crisis has affected all the major inter-confessional trends: both of the official Islamic structures and of the opposition flank. In these conditions we have to be extremely careful with predictions: there is little chance of a simple return to the old "linear" confrontation, as the changes which have occurred in both "camps" during the last year are far too serious. At the same time, an active renewal of the dialogue cannot be expected.

It is likely that quite a serious transformation could occur within the Salafi movement. On the one hand, it has distanced itself from active participation in political activities (the Ahl-Sunnah Association), although the grassroots clearly need to express their social protest in some way. On the other hand, the strong commitment to preserve the results of the intra-confessional dialogue and its continuation, stated immediately after the death of the Sheikh, failed; a number of leaders in this matter fell for the blackmails of the "forest." The most negative scenario would provide for an increased attractiveness of armed methods of struggle for the youth in an environment where the legal wing of the movement does not protest and is not able to defend a consolidated categorical rejection of terrorist methods. Another alternative is the emergence of new "players" within the religious movements, who could fill the vacuum

¹Website www.guraba.info, 01/09/2012.

² Na voine kak na voine... Mudzhakhedi Dagestanskogo fronta (Business is Business ... Mujahideen of the Dagestan Front). 10.09.2012. <http://guraba.info/component/content/article/1402-2012-09-10-18-22-12.html>

³ Note that this is not the first time that a leading member has left the Association. Abbas Kebedov left it earlier due to disagreements on the issue of participation in political advocacy activities.

that arose after the murder of Saeed Chirkeisky (the re-commencement of Hizb ut-Tahrir activities in these conditions seems quite likely). Finally, there is a possibility that the religious opposition movement may diminish, and the believing youth, disappointed with the existing leaders will turn towards a “quiet life”.