The Highlanders of Caucasus are divided into some forty or fifty ethnic units, depending on the degree of “lumpering” or “splittering” tendency in the count: many groups are considered as subgroups of larger ethnic units and often do not deny the fact, but nevertheless constitute by themselves certain quite distinct groups with a definite feeling of a specific identity, like Digors among Ossetians, or Kaitags and Kubachins among Dargins, to quote but a few examples. They speak languages of at least three absolutely different linguistic families—the North-Caucasian proper (very often the West North-Caucasian, or Abkhazo-Adyghean group, with Cherkessians, Kabardins, Abkhazians, Abazins, and the East North-Caucasian, or so called Nakh-Dagestanic group, with Chechens, Ingushes, Avars, Lezghins etc., are considered as distinct linguistic families in themselves); the Turkic family, including Balkars, Karachais, Kumyks etc.; and the Iranian group (of Indo-European family), represented first of all by Ossetians, and also by some other smaller ethnic enclaves. They have different customs, different traditional costumes (especially among women; the main item of men’s traditional costume, the so-called ‘cherkesska,’ a kind of a long, broad-sleeved coat, was since the 18-th century more or less uniform in the whole of Caucasus). They differ in their economic specialization, some relying more on fruit gardening, others on plough agriculture or cattle-breeding, depending on the climatic zone they inhabit. However, apart from the traditional men’s costume, there have always been certain similarities in values, orientations, in observing some common rules of etiquette and everyday behavior, that made these people in the eyes of their neighbors, especially Russians, to look like some more or less monolithic mass of proud, freedom loving, independent, warrior-like people, called collectively and indiscriminately “Caucasian Highlanders.” The economy of these people had one common characteristic: they were basically poor. This poverty originated mostly from the rural overpopulation of the area, from the scarcity of arable lands and pastures, the ownership and exploitation of which was a cause for incessant warfare, not so much between ethnic groups, nationalities or tribes, which rarely acted as unified military bodies, as between local communities, villages, clans, extended families, individual feudal lords (princes, barons, or important knights – Biis, Beks, Uzdens in the local terminology). Even if an individual owner, a peasant or a knight (only princes might be a exception)
would be able to manage sometimes to enlarge his herds of sheep and cattle, it
would not last for too long, for they would be sooner or later abducted by his
envious neighbors.

In the fear of attack by robbers the settlements had to be fortified, very often
each extended family constructing their own tower, so that in one village there
might be dozens of towers, or hidden in remote valleys and gorges, or among
dense forests, if they were situated in the lowland. In the last case they had very
often to shift their position. Much less the poverty could result from the over-
exploitation of peasants by their own feudal lords. The latter preferred to maintain
friendly, often kinship-bound relations with their subordinates, to rely on their
loyalty during frequent robbing raids to the adjacent territories. Such raids often
constituted the only respectable and decent occupation for a nobleman. The
benefits of the raids consisted partly in valuables and occasional captive slaves. In
the Western part of Caucasus, in Cherkessia and Abkhazia, in the 18th and early
19th centuries quite a number of slaves used to be exported to Turkey. Prisoners
also could be kept for ransom. But if they were enslaved, exploitation of them was
not particularly severe and with some time they would be elevated to the status of
serfs, allowed to have a family and finally assimilated in the community. But the
major value from the raids consisted predominantly in cattle. A successful
abduction of cattle usually did not, however, improve the well being of robber, it
would only raise their prestige and social position, because the abducted cattle was
used for sacrifices and festivities, distributed as gifts and presents to subordinates
and friends, and generally consumed in a non-economical way.

Only under Russian rule, after the agrarian reforms of Alexander II, by the
end of the 19th century the production of wool, hides, cereals, and milk products
(cheese, butter) for cash gained some importance. And this was already the start of
the disintegration of the traditional economy, as well as of the traditional culture,
because it was a capitalist, market development, and this development was
incompatible with a holistic maintenance of values, attitudes, social norms of
hospitality, mutual aid, military alertness, a cult of weaponry and other features
which were, prior to Russian rule characteristic for this essentially early feudal or
in some cases even military-democratic society.

For the aforementioned reasons already on the eve of the Socialist
Revolution in Russia, i.e. in the beginning of the 20th century, the economy and
the social structure of the North-Caucasian highlanders was already very
significantly modified compared to the times of the Caucasian war (1763-1864). It
is understandable then that several decades later, in the middle and by the second
half of the 20th century, after the Socialist Revolution of 1917, the Civil War,
collectivization, World War 2, Stalinist purges and other dramatic events of 1920's
-1950's, very little remained of the traditional way of life, material culture,
occupational specificity, natural economy and traditional social structure of the Highland minorities of Caucasus. Similarly to the rural population elsewhere in Russia, they had been forced to aggregate into large collective farms, which might incorporate a number of villages adjacent to each other. Apart from the collective farms, where the property, at least theoretically, was a collective property of farm members, the state-owned specialized farms, with an absence of any form of legally recognized collective or individual land property, with the methods of agricultural production completely based on the exploitation of paid agricultural labor, were also organized on a large scale. Collective farm members or hired laborers, in the past mostly poor peasants, were allowed to have only very small land plots and a strictly limited number of cattle. Due to an intensive labor input, however, the productivity of these small parcels of economy run on a family level was much higher than that of large collective farms. It was a certain reversion of the ways of the economic development. Though disguised in the form of salary-payment, the exploitation of agricultural labor in the Soviet Union, with little difference between so-called collective farms and state-owned farms, was in many ways rather feudal, or oriental despotic, than capitalistic. And a manager of such a huge farm in many cases would regard himself as a person expected to act paternalistically towards his subordinates, in the same way, as a feudal lord looked paternalistically at his serfs in old times. This led to a certain very specific and distorted, but still undoubtedly noticeable revival of traditional feudal values. For example, stealing, robbery as a virtue, is not compatible with the capitalist economy. But it was not only compatible, but an obligatory virtue in the early feudal economy, and in the ‘socialist’ economy stealing from the state, robbing the state and its property, though it was severely punishable, still was considered by the popular psychology rather as a virtue. It was not so explicit among ethnic Russians, who still had some kind of Christian peasant psychology, though stealing from the state was widespread everywhere, but in the Caucasus the attitude to the alien property as a natural object for robbing, whenever possible, fit well into the survivals of the traditional value system.

The post-war years, until the start of perestroika, i.e. 1945-1985, were filled with the incessant and unequal struggle of the farmers and salaried laborers with the local and central authorities: the farmers tried, in violation of the official rules, to increase the size of their plots and herds, using various means, of necessity in most cases covert. The authorities, in their turn, would not stop short of the most aggressive methods, like destroying and pulling down the “illegally” sown crops and constructed barns and houses by bulldozers, in their attempts to reduce semi-private holdings as near to the zero point as possible, to force the farmers to render more labor efforts to the collectivized lands and herds, which the farmers, naturally, were very unwilling to do.
As a result, the productivity of agriculture remained very low in Soviet times. The village, the rural society, was not a place to make a successful upward career. Ambitious people preferred to flee to larger cities. On the other hand, the Soviet era was marked by a tremendous increase in the education and urban-oriented social mobility which influenced all rural populations, especially the minority ethnic groups. Initially all of them were absolutely predominantly rural dwellers, agricultural or pastoral, but now they became partly urbanized, and many of their members now worked not as agricultural laborers, shepherds, or herders, but as skilled urban workers, as intellectuals (scholars, teachers, doctors, government officials and other employees), vendors, clerks, and, of course, as miners and factory workers. Nevertheless even today, though exact numbers in each case may vary greatly, one can assume that while among ethnic Russians the overwhelming majority are urban dwellers, among minorities, to the contrary, a considerable percentage, usually more than half, continue to be rural dwellers, i.e. farmers.

The use of the term 'ethnic minorities' is rather arbitrary when it is applied to most non-Slavic peoples of Russia. One should not forget the obvious fact that in the areas of their rural settlement in most cases they are a definite majority, and in some cases they form a majority of the total population in their republics or territories. In the larger cities, it is true, very rarely representatives of the 'titular' nationality of a republic may form an absolute or even relative majority, and in the urban context the ethnic Russians usually prevail among the urban population even in those republics where in the total population they form less than a half. The term 'ethnic minority' is, however, justified when applied to any nationality of Caucasus in Russia, because not only are they minorities on the all-Russian numerical scale, but also they must be considered as deprived minorities concerning their position.

In recent years, ironically, in the atmosphere of 'democracy, freedom of press and expression and the prevailing mood of all-permissiveness, a new phenomenon developed in Russia which was more or less absent in the former periods, even in the worst times of Stalinist ideological pressure.

It is a broadly widespread racist prejudice and suspicion towards all non-Slavic minorities, especially so-called “persons of the Caucasian nationality.” It exists not only at the level of the popular lumpen-proletarian psychology but even in government documents, though classified. There are secret instructions, issued by local authorities in a number of provinces of Russia and even by the Ministry of Interior, to put obstacles to the settling of Armenians, Azeris, Chechens and other ‘Caucasians’ in the provinces of the Central Russia, or in large cities. There is a disguised requirement of their registration at police stations, they are virtually terrorized by the police at every occasion even when they have the due registration forms, etc. All this looks very similar to the apartheid regime of...
South Africa not so long ago. Everybody who looks racially different from a ‘genuine Russian’ or speaks with a southern accent may become a victim of such attitudes, shared not only by the police but also by many ordinary people. There are numerous reports in the free press about arrests, curfews, beatings by the police or by the mob, and other incidents happening not only to Chechens or Dagestanys, but even to Yakuts. The roots of this ever-increasing new Russian xenophobia psychologically probably lie in the complex of national humiliation experienced today by many ethnic Russians, they are in a search of scapegoats etc., but certainly it all contributes considerably to certain trends among minorities: to remain, as much as possible, on their own ethnic territory and as a self-defense to increase their power, influence, and independence within this territory; to consolidate and strengthen their economic and social positions, often at the expense of the neighboring ethnic Russian population; to learn again, to revitalize and to favor all what is considered by themselves to be traditional, including the native language and religion, in many cases which are typical for the Caucasus area this religion being not only the Islamic faith but often its extremist, fundamentalist, Wahhabbite varieties which were practically unknown in the Caucasus until recently, but now can be seen even in such highly modernized and enlightened places as industrial cities and health-resorts of Adygeia and Kabardin-Balkaria. There is a wide-spread opinion that the propaganda of Islamism, Pan-Turkism, fundamentalism and other similar trends receives in many cases some support from other Islamic countries, including Turkey, but the fears about the subversive Islamic activity of foreign countries, often expressed in the Jingoist Russian press, are probably very much exaggerated.

What is much more important is the feedback from the descendants of the former mahadjirs, emigrants of the 1860's who settled in Turkey, Syria, Jordan and other countries of the Near East and now are actively visiting and propagating their influence in their old homelands. So far very few, quite understandably, decided to return to settle here permanently, because the political and economic situation here is still very unstable, and the general standard of living is certainly lower than in Turkey or Jordan. But nevertheless these people, even without repatriation, participate in some joint ventures and provide considerable support to their relatives who stayed in the homelands. All this was unthinkable still in the early 1980's, but now it is more and more a widespread reality.

All aforementioned factors contribute to some dramatic changes in the general social and economic situation in those constituent republics of the Russian federation which were formerly autonomous, and now technically having proclaimed their “sovereignty” play the major role in determining the general trends of the political and economic situation in the area of Northern Caucasus.

Prior to the Socialist revolution in Russia the economic base of all regions
with a non-Slavic population in the North Caucasus was almost exclusively agrarian. The industrialization of the Soviet period changed the occupational profile of the population quite considerably. Industrial objects have been built practically everywhere. Especially heavily industrialized was Chechenia with its large oil fields, refineries, lubricant production, machine building plants, etc. All this industry now is badly damaged by the war, and although it is probably going to be restored, it will take a long time and require a great deal of investments.

In all of the other republics there is some industry, but a good deal of it is oriented at the processing of the agricultural production. Among the latter we must mention first of all technical cultures, like cotton, geranium, coriander, tobacco, grapes for production of wine and brandy, fruit orchards, supplying fruit for the production of juice and canned preserves etc. Corn, grain, and vegetables are produced in quantity, in some regions for export to Central Russia, in others mainly for local consumption. There are some factories in nearly all of the republics (except Ingushetia, which practically was not industrialized at all) producing machines, tools, synthetic fibers and leather, chemicals etc. The canning industry and the production of wines, brandy, sweets and other food items, is scattered not only in large cities, but also in small towns. Ossetia-Alania and Kabardin-Balkaria are melting metals from locally mined ores (tungsten, molibdenium, zynk, lead etc), and so on.

A very important place was occupied by tourism and the recreational industry- sanatoriums, health resorts, skiing resorts. In Soviet times this industry was not profitable, it worked rather at a loss, but was considered vitally important, because it provided propagandistically exploited fringe benefits for the more privileged part of the working class and for the party functionary bureaucracy. Therefore it was heavily subsidized by the state and trade unions, which made little difference as far as the source of money was concerned. A good deal of machine building and tool making industry was also subsidized, especially if it was a part of the military-industrial complex.

All of these industries were manned partly by the local population, but more often with Russian workers. One of the paradoxes of the Soviet era consisted in the fact that ethnic Russian manpower prevailed at two opposite positions. One was the ‘dirty,’ non-prestigious level of jobs, which are in Western Europe usually reserved for ‘gast-arbeiters,’ since the native population is unwilling to be employed in them. But the other level was privileged and prestigious jobs, such as teaching, management, high levels of administration, high technology, medicine, especially surgery, and other occupations which require especially high technical skills. The middle section of jobs, that is jobs of prestige but not requiring exceptional skills, was more often manned by the native labor force, especially low and middle bureaucracy, commerce, and some services. Agriculture was
manned by aboriginal man power but to some 30% (except Dagestan) also with Russians.

By now all these industries, with some exception of agriculture, are more or less in a crisis. Canned foods and other similar products experience on the Central Russian market a strong competition from imported Western food products. The buying capacity of the Russian population on the whole has sunk considerably. Without subsidies from trade unions most people are no longer able to visit health and ski resorts. Those who can afford to pay often prefer to go abroad to some less expensive tourist destinations of the Mediterranean, while `nouveau riches’ go to Western Europe. The general cash income of the population in the North-Caucasian republics has markedly decreased and is almost half of the average income in Moscow. It is partly compensated by the natural economy, when fruits, vegetables, milk, meat and other food stuffs are not bought, but are produced within the household, and this helps to support even many aboriginal urban families, but among Russians, where kinship ties are less developed, urban families lack this support. Some unpublished reports, made at the time of the very beginning of perestroika, i.e. in the 1980s, demonstrated that among the working class in the cities of Kabardin-Balkaria the income of Balkar families was the highest, the income of Kabardin families was about 90% of the average income of Balkar families, while in Russian families it constituted only 70% of this sum. The explanation of these correlations lies probably in the fact that Balkar families have additional support from their relatives in the villages, to whom they render some services, helping them to market their knitted wool production, surpluses of vegetables and other commodities. Among Kabardins such economic interaction of rural and urban families is also taking place, but on a smaller scale and with a more limited number of commodities. But it is practically absent in Russian families, which are either generally unrelated to the Russian rural population of the Republic, being recent immigrants from different places of origin, or, as it is typical for Russians, maintain little relations with the relatives remaining in the villages. Therefore they are considerably less well-to-do economically, than Kabardin families, let alone Balkar families. And the general regularity in other regions of the northern Caucasus is: the less Westernized and Russified the population, the more it preserves the features of the traditional culture, the higher is its vitality, its rate of reproduction, its general success. The less urbanized populations can more easily, make the transition required by the new situation: to shift from employment in modern mechanized industries to self employment, to cottage industries and small scale industries of various kinds. The tourist industry, which used to be completely under the state and trade union, i.e. Russian control, now is more and more under the control of local people. However, for a more successful reconstruction and operation of the tourist industry, a number of
conditions must be met which are absent so far, and there is very little hope that
they may emerge in the nearest future. The social order, maintenance of law, and
high moral quality of the police are among these conditions, and everybody who is
familiar with the prevailing situation in the whole of the Caucasus will agree that
it is by far too early to expect any positive changes in this direction.

Privatization has virtually only begun in the republics of the North Caucasus.
As in the rest of Russia, there is not yet a firm legal base for it, and it marches in
an irregular, uncontrolled, wild manner. Under these conditions it is easy in the
course of an uncontrolled privatization to provoke some ultra-nationalist
emotions and activities, caused by the desire to monopolize the process of
privatization along ethnic lines, and nearly doomed to become a source of a
permanent ethnic tension and conflict. Therefore the authorities and the presidents
of the Caucasian republics, who are almost all former administrators, industrial
and bureaucratic managers and prominent communist functionaries, try their best
to restrict the process of privatization, to maintain in a slightly modified form the
status-quo of the collective and state-run agriculture. The privatization proceeds
never the less, but there are still many remaining serious handicaps in its way.

Let us examine, for example, the situation in the Karachai-Cherkessian
Republic. Apart from Russians, who form about 40% of the population and are
engaged both in agriculture and in many kinds of urban activity, the main actors in
the economic life of the Republic are Karachais (about 35%) and Cherkessians
(abotu 10%). Cherkessians are rather highly urbanized, and in the cities face today
more or less the same problems as Russians and generally all salary men and
working class of any nationality. Many Cherkessians live in villages and there they
are better off, but in the villages too mostly the Soviet-time stagnant situation of
the collectivized and state-owned farm economy tends to continue. The majority of
the population would probably welcome a large-scale privatization, but no
legislation is so far ready to determine its course, and therefore there is not much
pressure from the population either. It is also important to notice, that in the
attitude towards privatization of land, the differences between various ethnic
groups are also important. As a rule, local native peoples, Karachais, Cherkessians
and others, would be interested in privatization, though to what extent the
ownership rights of old wealthy families could be considered valid under a
large-scale privatization remains an open question. But the Russian Cossacks are
generally opposed to the privatization of land in principle, since one of the most
important points in their program is a restoration of the specific Cossack
communal property on the land, with its redistribution according the needs of
individual families, just as it was practiced before the Socialist revolution.

The lawlands and moderately elevated territories would be best suited for a
further extension of fruit-gardening ( orchards), but the marketing of fruit now
faces difficulties due to considerable competition of imported fruits. Besides, the planting of new orchards, processing, canning, and the transportation of fruits requires rather large capital investments, and they are not available for farmers in Russia, where banks prefer to provide only short-term credit. Extension of cattle-breeding is handicapped by the shortage of available pastures in the lowlands. Consequently, with no significant change in the economic sphere, there are not so many attempts at the revitalization of traditional culture among the Cherkessian faction of the population. The traditional forms of behavior, the highly sophisticated etiquette, some forms of the national music and dance still are living, especially among the older people, but the younger people are in many cases rather ignorant about details of their culture.

There is, certainly, feedback from the Adyghe diaspora in Turkey and other countries of the Near East, but it goes more to Adygeia and Kabardinia rather than to Cherkessia, just because numerically these areas of Adyghe people’s distribution outweigh the Cherkess area of Karachai-Cherkessia by more than ten times, and the kinship ties are in those areas more intensively remembered, too. Significantly different is the situation with Karachais. Gradually occupying more and more dominant positions in the republic, they feel more confident and therefore are more prepared to initiate economic changes. Their lands are on a higher altitude, and not suited for fruits, but excellent for vegetable gardening — potato, squash, carrots, cabbage etc. The demand for vegetables is stable, with little competition from imports, and to intensify vegetable farming little investment is needed. But still more important than agriculture, for Karachais is cattle-breeding — cows, sheep, goats. There are reserves for a more intensive use of pastures for privately owned herds, which are growing, the more so that collective and state owned herds are rather shrinking. Under these conditions in the Karachai-settled territories there is proceeding a peculiar process of a “wild” privatization, not sanctioned by any authority, but nevertheless very intensive, which goes ahead of any legal norms or regulations. It takes most often a form of “fencing,” when people erect fences around certain plots of land and start to use them as their private property, for agriculture, for pastures, but most often for irrigated meadows, the so called ‘bichenlik,’ to provide more hay for the wintering of the cattle. In a multi-ethnic society such ad hoc privatization would probably lead to inter-communal conflicts, but the highland Karachai villages are ethnically homogeneous. Besides, in most cases people are fencing plots on the lands, which traditionally, before the Socialist revolution, used to belong to their clans and families, and thus their actions are recognized by the customary law as legal.

Considerable changes in the economic activity, in many cases a return to pre-revolutionary economic relations, result also in a revitalization of many features of the traditional culture and social life. Though the Karachai diaspora,
compared to Adyghes, is rather small, the kinship ties and contacts have been re-established wherever possible. More and more people are taking part in a Hadjj to Saudi Arabia, and the influence of Islam is steadily growing, as well as the religious activity around cemeteries and sacred places. A new phenomenon which fits well into the framework of the traditional culture has become a new tradition to organize huge clan gatherings, where people with the same family name come from different places, often from far away from Karachai proper. There are some attempts to engage in some non-traditional industries, like small-scale beer-breweries, or growing trout in the ponds at the sides of mountain streams, but so far they are mostly experimental.

A situation partly similar to Karachai-Cherkessia, but with important local specificity, is formed in the neighborly Republic of Kabardin-Balkaria. The massive mountain of Elbrus stands exactly on the border between these republics, separating the sources of Kuban, the core of Karachai territory, from the sources of Baksan and other tributaries of Terek, which housed for many centuries Balkar settlements in their upper valleys and Kabardin villages in the lowland. Only because this mountain range is difficult to cross even in summer, let alone in winter, there have been not too close connections between Karachais and Balkars, who speak the same language and share a lot of common traits in culture. But the numerical correlations between Turkic-speaking highlanders and Adyghe-speaking lowlanders are here opposite to those in Karachai. Here Kabardinians (of the Adyghe ethnic group) form nearly half of the population, Russians about 30%, and Balkars just 10%. Kabardinians differ from Cherkessians only territorially, practically they are the same people, with the same language. But, due to their sheer numbers and percentage, they feel much more confident in their republic and are engaged in a much more diversified commerce and businesses. They are even more urbanized, advanced and sophisticated than Cherkessians, and though the crisis in Russia is universal, still there are much more diversified jobs in Nalchik (the capital) and other cities of Cabardinia, than in Cherkessk, the capital and practically the only large city of Karachai-Cherkessia. The difference in the positions of Kabardinians in their country and Cherkessians in Karachai-Cherkessia reflects also the fact, that Kabardinians have some problems to argue with Balkars, but they are definitely predominant, and have no big problems with Russians in their republic, while Cherkessians, being generally in good relations with Russians, still have to react somehow to the Cossack extremists, and, facing an increasing influence of Karachais in the decision-making, have to balance this trend with demands and expectations of Abazins and Nogais, small (about 25-30 thousand each) but influential minorities, who have their own interests, which cannot be neglected. Generally speaking, the relations between Russians on one side, Kabardinians and Balkars on the other
side may look as certain problems on individual, personal or local level, but they
are not pronounced either socially or politically. This cannot be said, however,
about the relations between Kabardians and Balkars.

Balkars, who were among the punished peoples and spent 1944-1957 in
Central Asia, returned and were provided additional territories for settlement, apart
from the mountain gorges that have been their initial home, in the relatively
lowland territories which belonged before the October revolution to a bunch of the
richest Kabardin princely families. These territories were, naturally, nationalized
after the Revolution, but, since they were initially used mostly as pastures for large
herds of horses in the property of the former princes and had not been intensively
ploughed and cultivated by Kabardins prior to the war, they could be more or less
without difficulty allocated to the Balkars, returning from exile, though in some
cases the resulting settlements were ethnically mixed, being populated mostly by
Balkars, but to a certain extent by Kabardins as well.

On the first glance the relations between Balkars and Kabardins are rather
friendly. There are many mixed marriages, in the cities people of two nationalities
generally find no problems in coordinating their efforts at their working place,
there are some villages with a mixed Kabardinian-Balkar population. However,
Balkars often complain about the political and social domination of Kabardins,
about a Balkar misrepresentation in the key administrative positions, about certain
handicaps in social career etc. Kabardins, on the other hand, have some
stereotypes about Balkars as being narrow-minded and not smart enough, and
generally consider them as inferior to themselves.

Of course, one hardly can deny that many years spent in exile might be
responsible for a certain educational retardation among Balkars, and the difference
is still noticeable. On the other hand, Balkars, who have an access to the alpine
pastures, too remote to be exploited by Kabardins, practice a very profitable
industry herding sheep and goats, processing the wool and selling the processed
wool or even more often ready knitted sweaters, hats, jackets and so on with a
good profit. This makes their average income some 10-20 % higher than that of
Kabardins. The same applies to Karachais. One of the accusations made about
Balkars by Kabardins (who had always been very proud about the social position
and general respect of women), is that Balkars overwork their women, and force
them to process the wool and knit sweaters all the time.

There is a Balkar nationalist movement, odious for its provocational and
violent actions, which insists on the creation of a separate Balkarian republic.
Many people in Kabardin-Balkaria, including many Balkars, believe that the aims
of the leaders of this movement (an ex-general of the Russian Army, S. Beppaev
among them) are rather selfish and that these leaders just want important
prestigious positions to be created for them. Nevertheless in the first half of
1990s they had managed to organize a number of actions, and this provoked some anxiety among Kabardins. The latter insisted in response, that if Balkaria secedes, it may claim only genuine original Balkar territories, restricted by narrow and infertile mountain valleys, but not the former domains of the exiled and exterminated Kabardin princes, on whose territory now the majority of Balkars live. A number of Kabardinian distinguished historians began a feverish search for archival materials and other proof, that would justify an expulsion of Balkars from the lands they currently occupied. At one moment it seemed that the society was on the verge of a break-up of a mass violence. However, the government of the Republic acted very wisely, they organized a referendum in which only Balkars were invited to participate, and by the end of 1994 it revealed, that hardly 5% of the total Balkar population were really supporting Beppaev' ideas. Recently, in the fall of 1996, there was a new attempt to create 'ad hoc' a shadow government of the "Balkar Republic," and again the outcomes of a renewed attempt by extreme nationalists to aggravate the situation confirmed that not only the total number of active supporters of extremists would hardly exceed one thousand but that even their passive sympathizers are very few in numbers. The course of events in Karachai-Cherkessia and Kabardin-Balkaria demonstrates, in our opinion, the reality of facts, that, even in a multinational society, where there are many prerequisites for inter-ethnic tensions, a more or less sober and balanced government leadership, providing a decent niche for the successful economic development of minorities, may be able to prevent conflicts. When people have some hopes even for a moderate economic prosperity, they are not willing to sacrifice them for the selfish interests of a handful of adventurous and ambitious amateur politicians. Only where the hope for an economic success is frustrated, such politicians may have a temporary political success. So far in all of the ethnic conflicts which took place on the territory of Caucasus, both Northern and Southern, (in Chechenia, in Abkhazia, in South Ossetia, in Nagorno-Karabagh) there has been one noticeable striking regularity. These conflicts began as a movement of an oppressed minority against the oppressing majority Chechens against Russians, Abkhaz against Georgians, Ossetes against Georgians, Karabaghtsi Armenians against Azeris. They began rather peacefully, by a declaration about intentions to secede and to exist independently. Of course, the degree of real oppression, the width of the gap between the reality and a propagandistically created victimized image of a minority might differ in each case, but in each case there were some reasons for the decision to secede. What followed was an attempt by the oppressor's side to crush these intentions by a military force, and after months or years of bloodshed inevitably the little secessionist David would turn victorious, at least, temporarily, over the oppressing Goliath, in spite of the tremendous inequality in numbers and resources. The only
exception from this general pattern so far has been the situation in the Republic of Ossetia-Alania (North Ossetia), and the conflict that took place between Ingushes of its Prigorodnyi Raion ("Suburban District") and the authorities of the Republic, unequivocally supported by all factions of non-Ingush population. Here, in Ossetia, we can see a striking contrast to the relatively non-violent attitude, inclined to a peaceful solution of arising tensions which is, luckily, more typical for the territories west of Ossetia. In the fall of 1991 Ossetia was a place of the worst conflict in the North Caucasus, surpassed later only by the horrors of the Chechenian War of 1994-1996.

The confrontation between Ingushes, oriented for tribal and patriarchal values, reinforced re-enforced by the adoption of Islam, and the predominantly Orthodox Christian, ecclesiastically oriented Ossetes and Russian Cossacks goes far back into the history of their relations, may be back to the 18th century. It was significantly aggravated by a very unwise decision of Khrushchev, when in 1957, his government, having reasonably allowed to Chechenians and Ingushes a repatriation to their homeland and a restoration of the dual Republic of Checheno-Ingushetia, nevertheless failed to return to this republic the territory of the so called Prigorodnyi Raion, allotted in 1944 after the expulsion of Ingushes to Ossetia, and gave instead to the restored dual republic two Cossack-settled districts carved out against the will of their population from the Stavropol territory.

In spite of all obstacles, many thousands of Ingushes resettled in what was formerly the center of their ethnic territory. By 1991 Ingushes constituted here about 60% of the population, the rest being composed of Ossetians and Russian Cossacks. Ingushes tried by all means, one must admit, very often violent, to establish in the area an Ingush power based on their customary law (adat), the moral justification of these attempts being the presence in this area of the tomb-stones of many generations of their ancestors. Illegal actions were abundant on both sides and led to the further growth of mutual distrust and antipathy between Ingushes, on one side, and Ossetians and Russians on the other. Ingushes blackmailed and molested Ossetians, forcing them to sell their houses (practically together with agricultural land-plots) to arriving Ingushes, while the local authorities tried to persuade the Ossetian owners not to sell them and made all possible obstacles even to perfectly legal transactions. Thus, they tried to enforce the Soviet power based not only on the law but on an undisguised policy of ethnic discrimination. There were many clashes since the early 1960's, and in 1981 in the capital of North Ossetia there were ethnic riots of such a scale that the army troops had to be introduced, but due to the lack of any freedom of press at that period they remained little known to the outside world. In 1992, when the conflict erupted again, it resulted in the complete eviction of 60 thousand Ingushes, not only from the area disputed between Ingushes and Ossetes, but also from the rest
of Ossetia-Alania and from its capital city of Vladikavkaz. Their houses were
burnt and demolished, their property plundered. With some 60 thousand more
refugees from Chechenia, the current population of Ingushetia numbers more than
250 thousand, of whom approximately 50% are refugees. Consequently, the
social- economic challenges and the economic adjustments proceed in quite
different ways in Ossetia and Ingushetia. This difference again reflects the
prevailing orientation of Ingushes to a more or less traditional economy, based on
the exploitation of natural agricultural and pastoral resources, while the population
of North Ossetia, both aboriginal and 'Russian-speaking,' is much more oriented
towards more sophisticated, urban, industrial and technological modes of
production.

Ossetia-Alania (North Ossetia) which is located North of the Caucasus
Mountain Range and is a constituent part of the Russian Federation is only a part
(true, a larger one) of the whole ethnic territory of Ossetes. The other part is
Southern Ossetia, which is de-jure a part of Georgia, but for some eight years,
since 1989, has practically turned into a little de-facto independent republic with
Russian peace keepers guarding its provisional armistice with Georgia. Very
recently (January 1997) there have been reports that intensive negotiations are
started between the Government of the South Ossetia and the Central Government
of Georgia, and that they may result in a reunification of South Ossetia with
Georgia, but we have still to wait for the results of these negotiations.

Southern Ossetia is the place where there was no Russification (and little
Georgianization), where the traditional Ossetian ways of life, their spoken
language, and their ancient customs are preserved in a more complete and
unspoiled form than in the North. Now, when there is no more violence and the
traditional agricultural and cattle breeding economy has revived after the disasters
of a separatist war with Georgia, it is poor but self-supporting. It also benefits to
some extent from a small-scale transit transportation of some goods, particularly
early and high quality vegetables and fruits from Central Georgia to the markets of
Southern Russia, which became possible with the stabilization of the armistice.
North Ossetia (Alania) is, on the contrary, highly industrialized, urbanized, very
significantly Russified, and in the rural economy largely maintains the Soviet
time methods of organization. True, in the North, too, there are some rural pockets
where the traditional pastoral economy and many traits and features of the
pre-Christian, "pagan" cults and rituals are thoroughly preserved but they are
relatively few. Theoretically Ossetians dream of a reunification, but culturally
Northerners and Southerners are very different, are not free from many mutual
prejudices and generally are not getting along well. Northerners particularly often
complain about the presence in the North of many thousands of Southern Ossetian
refugees from Georgia.
Ingushes and Checheninas among all other nations and ethnic groups of Caucasus, probably, have the most victimized image of themselves, since they had suffered so many times, beginning from the 18th century and ending with their expulsion in the Stalin era and the atrocities of war post-Soviet Russia. They have a common self-denomination as Wainakh (our people) and though there are some unresolved territorial claims between them, generally they feel a sympathy to each other. The high prestige enjoyed by local village elders helped to prevent a mass participation of young Ingushes in the fighting in the Chechenian war to support Chechenians, as well as from attempts at retaliation to Ossetians. Indirect support was always rendered by Ingushes to Chechenians; the commanders of Russian troops in Chechenia complained that when they were passing Ingush villages they had to expect shooting to their backs, and some Ingush villages have been bombed alongside with the adjacent Chechen villages.

Never the less Ruslan Aushev, the highly respected president of Ingushetia, a retired general, managed to maintain rather loyal relations with the Federal government of Russia, and Ingushetia has been declared a free economic zone. This helps it economically to some extent, but generally the Republic is in a difficult situation: its population has recently doubled against the normal number because of so many refugees both from Ossetia-Alania and from Chechenia, the local economy can provide very few jobs apart from agriculture, and it is very little urbanized. Though some Ingush villages had been converted Islam only in the early 19th century, the influence of Islam is strongly felt, partly due to a confrontation with the predominantly Christian Ossetes, partly as a repercussion of Islamic Fundamentalism gaining momentum in Chechenia.

It is still difficult today to predict what the future development of the Chechenian society and economy will look like when Russain-Chechenian relations are normalized and the process of restoration after the damage caused by the War begins. Consequently one may only guess about the basic pattern of the future economic development of Ingushetia and Chechenia and its impact on the cultural tradition of these peoples.

But there is a high reason to believe that this future will be dual. On one hand, cities will be built and restored, and in Chechenia the pipeline and road maintenance, the restoration and reconstruction of oil drills, refineries, factories and other industrial objects will require a lot of manpower, both Chechenian and Russian.

On the other hand, a good deal of the rural population, especially in the highland areas, will be oriented towards a traditional style of economy, i. e. towards agriculture, cattle breeding, the production of honey, and other similar occupations, completely based on individual farming, with no relics of the Soviet collective system. Combined with the increasing influence of Islam, this will
create a serious split between the urban-oriented, modern industrial way of life in large cities and northern lowlands and the tradition-oriented rural life in the southern highlands. And this split will largely coincide with the ‘teip’ (clan) differences and confrontations which so far have never ceased to play their important role in the structuring of relations between different segments of the Wainakh society. Traditionally the Southern (highland) clans are considered as more aristocratic and prestigious compared to the younger and less distinguished in their origins, though more urbanized and sophisticated, Northern (lowland) clans. This dichotomy, which is already revealed in the struggle for power that has already started among various factions of the Chechenian ruling establishment, may in the future become even more aggravated.

Hardly there may be any doubt, that the overwhelming majority of younger people, and these societies with their high birth rate being demographically young indeed, will prefer, in spite of any rise of traditionalism and Islamism, to reside in the lowlands, in the larger cities, with all their comfort and advantages. But it will be very difficult, even under much better conditions than in the modern Russia, to provide jobs for all of them. This, combined with the demoralizing effects of the recent war, may lead to a further increase of criminal situations in Chechenia and partly also in Ingushetia. On the other hand, the resources of the mountainous parts of these republics are now not yet exploited to a full measure, and until recently many valleys, which used to be densely populated in the past lay quite abandoned. It is possible that with the reclamation of these highland pastures and woods, new pockets of a relatively tradition-oriented economy and social life may emerge, as a certain asylum for people who are discontent with the life styles of modern cities.

Hardly will it be an exaggeration to say that practically in all areas of the Northern Caucasus, and in many places in the Southern Caucasus as well, in spite of all mosaicity and the complexity of the ethno-social picture at any place, nevertheless nearly always a certain dual pattern can be observed in the difference of values of the two most important locally and most acutely confronting and competing ethnic groups. Between these groups there always is a similar pattern of cultural differences, i.e. one is invariably more highly socially developed, more urbanized, more educated, than the other. Such is the correlation between Georgians and Abkhazes, between Armenians and Azets, between Cherkessians and Karachais, between Kabardins and Balkars, between Ossetes and Ingushes. In Chechenia it is the relation between Lowlander and Highlander clans. The same can also be said about the correlation between Russians and non-Russians.

In a situation where ethnic conflicts were not allowed to develop openly, the more sophisticated group would normally dominate over the “backward” one. But its birth rate being lower, its urban-oriented mobility being higher, this group was
inevitably tending to constitute a smaller and smaller percentage in the rural areas, in the agricultural section of economy, and was gradually replaced there by the less sophisticated group. Thus the second group tended to become a majority in the areas, where it used to be only a minority.

When the political situation changed, and ethnic conflicts and tensions could be now pronounced in the demands of political organizations, this pattern resulted in the fears of “first” groups to lose their influence and their lands for the benefit of “second” groups, and in attempts to stop their expansion, to continue to keep them in subordination. And the leaders and organizations of “second” groups, on the contrary, nurture plans to squeeze out or to evict as much as possible the ‘first’ group and to establish their own ethnic power on the lands where they are spreading.

Some situations of these dual confrontations are very grave, like Georgian-Abkhaz, Armenian-Azeri in Karabagh, Ossetian-Ingush. In others, like Cherkess-Karachai, or Kabardin-Balkar, there is so far no such acuteness of tension, and and there are hopes for the prevalence of good will. However, it seems indispensable, that in each case a certain body or supreme power, be it an international peace-making mechanism, or the Federal Center of Russia, or still somebody else, would implement a more or less unbiased and principal policy for the peaceful co-existence and defense of rights of all groups in question. Otherwise the danger of ethnic cleansings, of artificial ethnic homogenization at the expense of evictions of minorities, will always remain.

By far the largest republic in the North Caucasus is Dagestan. It has a population of more than 2 million, the majority of which encompasses at least thirty quite distinct ethnic groups. None of these groups can be regarded as having attained the level of development sufficient to call it a nation. Avars are the largest and one of the most economically and culturally developed entities among them, but there is no Avaristan in a proper sense of the word, there are only several districts, not even forming a completely continuous territory, with a relatively or, more rarely, absolutely, predominant Avar population. There are newspapers and broadcasting in Avar, as well as in Dargin, Lezghin, and a dozen of other languages, but there is no Avar school network (though there are schools with teaching of Avar), there are no Avar cultural institutions, only all-Dagestani cultural institutions, where in many cases Avars may predominate, but in other cases they don’t. The same can be said about any of some thirty-odd wholly aboriginal and endemic ethnic groups of Dagestan ranging from 1 thousand (Archins) to nearly 700 thousand (Avars), to whom one may also add many thousands of people belonging to non-aboriginal entities, like Russians, Azeris etc., who live here however, already for centuries and consider Dagestan their home. The Highlander Jews, who speak the Tat language (a kind of archaic Persian), for
example, consider themselves completely aboriginal and view the Southern Daghestan (as well as Northern Azebaidjan) their ethnic homeland.

Prior to the Sovietization the overwhelming majority of these people lived as compact groups on their own ethnic territories, in one secluded mountain valley or a number of adjacent valleys, sometimes, like Avars of Unkratl, separated from the rest of their ethnic group by territories of other tribes, but nevertheless maintaining the general integrity. It was a mosaic, but basically an orderly mosaic, with its definite pattern and structure. At least everybody knew where his homeland was, even if he currently lived in a different place, and nobody would think to claim a territory of another tribe as his own ethnic territory as well. Nevertheless even then the mosaic was so complicated, and the relations between tribes and nationalities, clans and lineages, feudal ruling dynasties and self-governed democratic communities, were so peculiarly intertwined, that many Caucasologists were inclined to consider Daghestan as the third separate constituent part of the whole Caucasus area, alongside with the Northern Caucasus extending from Krasnodar (former Ekaterinodar) to Chechenia, and Transcaucasia ranging from Abkhazia to Baku.

The Soviet regime has disturbed this relative balance and harmony and transformed it into the worst state of ethnic chaos in Russia. Voluntaristically minded Communist authorities exiled some groups (like Akkin-Chechens) and later allowed to them to return to Dagestan, however not to their former territories, but to territories, already occupied for centuries by other tribes. They resettled from the hills many other population groups, allegedly suffering from the lack of arable lands, like most of the Laks from the Kazi-Kumukh district, as well as a considerable part of Dargins, Tsezy and many others and placed them in the lowlands, to provide manpower for newly developed plantations of commercial technical crops. Not only did these resettled groups suffer from mass epidemic diseases, possessing no immunity against them in an alien natural environment, but they also suffered from alienation and a hostile attitude to newcomers among an ethnically alien population.

The new Communist rulers had designed the place for the capital city of Daghestan (Makhach-Kala) in the heart of the ethnic territory of the Turkic-speaking lowland Kumyks and invited thousands of Avars, Dargins and others to settle there and get administrative and industrial jobs. Initially, and still in the 1920's, Kumyks were the most advanced national group in Daghestan, and their language served as 'a lingua franca' for all highlanders so that to be fluent in Kumyk meant to be sophisticated, advantaged and prepared for social mobility. In the 1920's of all newspapers in local idioms Kumyk newspapers accounted for about 70%. However, later the Russian language took the position of 'lingua franca', and Avars and partly Dargins had more representation at the decision
making levels and in the key positions. As a result, now Kumyks feel like a deprived minority in their own homeland. Similar shifts, displacements, change of hands in power happened in other places throughout Dagestan.

The result is overall tensions and claims of everybody to everybody. If a blood-shedding conflict ever starts in Dagestan it will expand like prairie fire and will not stop for decades. But so far it has not started and there is some hope that it will never start, because people seem to understand this danger. The Gordian knot of Dagestan mutual claims, grievances, memories and pretensions is so big and so complex, that nobody dares to start to pull out its threads, let alone to try to cut it by a sword.

Besides, again, within one ethnic group the discrepancies of interests may often be stronger than between the groups. People may be angry with municipal housing provided to members of another ethnic group, newcomers in this town; or against an unfair distribution of subsidies for a certain purpose (oddly enough, recently it was distribution of subsidized voyages for a Hajj to Saudi Arabia), or against the appointment of a person of undesirable ethnicity to some key position (a judge, or a chief of local police). They may rally, shout, demonstrate, write petitions, but very rarely will there be some minor kind of violence, like a beating, and almost never, a killing.

In all republics of North Caucasus (except Chechenia and Ingushetia) the power is in the hands of former communist functionaries, but this is especially typical and ubiquitous in Dagestan. People support their leaders (mayors, magistrates etc.) not because they are communists, but because they are known as leaders, because they have some experience of leadership, and mainly because the leaders are their relatives, kinsmen, clansmen, tribesmen, former teachers and just traditionally respected people.

A privatization of arable land in Dagestan is among the things that the current pro-Communist authorities would like to avoid at any cost, and this is well understandable. Apart from the fact that a privatization of lands would undermine the very basis of their power, it would be a really very dangerous undertaking.

Given a terrible scarcity of arable lands and an enormous agrarian overpopulation, it would be impossible to provide even a microscopic parcel of land to everybody entitled to get it. There will be innumerable protests against giving the land to ‘newcomers’, even when they are settled in this village since the 1930’s, innumerable claims for a property that belonged to this family a hundred years ago.

In many areas tiny parcels of land, plots with three or four apple trees standing on them, were efficiently incorporated into the collective property of large state controlled farms. But even when they were technically and practically considered, managed, cultivated and harvested as a collective or state property,
they still were remembered as initially belonging to a certain family, and as such, used to be symbolically declared as a token part of a dowry or bride price, and there had been invariably some witnesses to these declarations. However, opinions of witnesses may differ, and there are no written documents, so as the result, every parcel of privatized land would have today scores of claimants.

It seems that the only viable social, political and economic system, able to operate in the urban, industrial part of Dagestan is the current quasi-Soviet system, just as the sole lingua franca for people speaking 30 different languages can be only Russian. But local dialects and local cultural traditions will long persist in the countryside, especially in the remote mountain valleys.

The economic situation currently in Dagestan is rather grave. It is true, that in no region of the Russian Federation is it particularly good today, but Dagestan is among the poorest, most overpopulated, unemployment-stricken republics of Caucasus. The major part of industry in the urban areas being connected with the military-industrial complex, there is not much hope that it may soon recover. So in Dagestan, just as in the territories immediately West of it, it may be expected, that the cleavage between the multi-ethnic, detribalized, partly de-ethnicized urban areas and the tradition-oriented, largely self-supporting, agricultural and pastoral communities in the highland areas will be in the future rather deepening.

Formerly, under the Communist regime, small-numbered tribes and nationalities were forced at least technically to merge with larger groups. Andi, Tsezi, Botlikhs, Godoberis, Bagwalals, Chamalals, and many other tribes, with distinct languages of their own, numbering 5-8 thousand each, were declared as local groups of Avars, a one-village nationality of Kubachis (Urbuans), a ‘nation’ of goldsmiths and artisans, were considered as a sub-group of Dargins, etc. Today there is no such pressure and it can be expected that the local craftsmen or agricultural specialization, combined with a revival of local specificity in festivals, customs, popular beliefs, will continue to produce in the highland areas a more and more diversified cultural pattern.

On the other hand, in many lowland and urban areas, where an extreme ethnic mosaicity had been created artificially by the Soviet regime, it will hardly reduce. There are reasons to believe that with the agrarian overpopulation in the highlands and the growing desire among young people to find employment in the cities, it is going to increase even more. It would be premature to expect that in the not too distant future there is going to be a merging of all national groups and a formation of something like a Russian-speaking “Lowland Dagestani nation”, but a certain levelling of national specificities in the urban context will probably be inevitable.

To make any forecasts about possible future patterns of the development of culture, economy and the ways of life of people is a very difficult task. If in the sphere of economy some extrapolation can be made, and only with a precondition,
that the trends of its development had been stable for some considerable time, no extrapolations can be done in the sphere of culture. In recent decades we have been witness in the Soviet Union and other areas of the world to a number of quite unexpected turns in the social and cultural development of many nations. Besides, the economic situation in Russia in recent years has been anything but stable.

It goes without saying, that the future social and cultural development in the North-Caucasian republics, as in any country of the world, is closely connected with and depends on their economic development. Today the economic situation in all of these republics is very far from optimal. Nowhere in Russia is it particularly good, but still there are some regions which contribute to the federal budget, and many more regions that depend on the subsidies from the federal budget to meet their most urgent needs. The republics of Caucasus are so far among the latter. The situation, certainly, can be changed, but it will demand not only considerable administrative and legislative efforts, not only certain capital investments, but also, which is perhaps more difficult, some changes in the national psychology, in the attitudes towards foreigners and other ethnic groups, in stereotypes and autostereotypes.

It was reported recently that in all Russia there are only three regions, where the farming business in 1996 had been conducted with profits. These regions are Krasnodar Territory, Stavropol Territory and Bashkortostan. Since at least the Republics of Western Caucasus are not much different from these territories in soils and climate, it may be expected that in the future the farming business may become profitable here too. At least, all these republics, may be, with some exception concerning Dagestan, are self-supporting practically in all kinds of food products and may have very good perspectives for the export of agricultural production, if the necessary prerequisites for this (normal transport prices, technologically improved storage, better marketing etc.) are created.

But the most promising way to a real and stable economic success for most of the republics of the Northern Caucasus probably lies not so much in the farming business, not in the mining of metallic ores and oil drills, not in machine-building and petrochemical industries, but most of all and first of all in the development of tourism. For many decades the mountains of Caucasus have been very inviting for tourists, hikers, and mountain-climbers from all over the Soviet Union.

Under the Soviet regime these people were not able to bring large amounts of cash income to these republics, though some cottage industries, small scale, not officially registered inn-keepers and caterers, acting at a considerable risk, since the authorities did not favor these occupations, still were able to make fortunes in many cases. What the tourists brought to the official sector of the economy was not efficiently used, but in the framework of a liberal market economy tourism here might become as important source of income as it is in many Mediterranean
countries.

Almost all of the republics of Caucasus have a favorable and mild climate, good skiing grounds, lush vegetation, rich nature of an unsurpassed beauty, plenty of historical relics, exotic customs, ancient architecture and everything else that is needed for a tourist industry. They are favorably situated, not too far from the countries of Central and Western Europe, and communication and transportation even today is not a problem. Railways and airports do exist and will need only some modernization. But in the social aspect they are still poorly prepared for the development of international tourism. A successful tourist development needs security, political and social stability, and the suppression of crime and terrorism. This in turn creates a need for a more efficient and not too corrupt bureaucracy, a sufficiently decent and efficient police, elimination of political xenophobia, development of a spirit of openness and so on. Not all of these prerequisites are fatally absent in the North Caucasian societies but in many aspects a cardinal improvement is indispensable.

With better government efforts such an improvement probably can be provided. But there is one still more difficult condition to be met. Tourism means service: tourists must be served. People in Spain, in Greece, in Turkey etc. do not mind rendering services to foreign tourists. They are not just hospitable in the traditional, tribal sense, they are prepared to serve their guests on a capitalist, commercial level. People in Caucasus are extremely hospitable, but their idea of hospitality still remains at a tribal, communal society level, they are not yet used to a commercialized hospitality. Not only do tourists often shock them by their exotic and indecent (from the local point of view) behavior. The traditional form of pride of highlanders often equates service with servility, and they are often unwilling to work in the sphere of service, or do their job inadequately. Many new owners of restaurants, inns and other tourist enterprises (from among local nationalities) often complain how difficult it is to hire a waitress or a maid: women of local nationalities refuse to work, while Russian women either leave for other areas, or are reluctant to work with a non-Russian boss, in a remote place in a non-Russian environment. It is obvious that for the future of tourism in the Caucasus not only some changes in the national psychology of local people are needed, but also a serious improvement in relations and mutual attitudes of the Russian and non-Russian population, a readiness to provide safe and decent conditions of living and work to the representatives of non-local population, may be not only Russians, but also ‘gast-arbeiters’ of other nationalities (e.g. Armenians), and so on.

All this is possible, but all this is not going to happen automatically. A devoted and far sighted leadership is needed to transform the North Caucasian republics into a belt of prosperous nations. We must admit that such leadership is
so far absent. It is true, that the current leaders of all of the North-Caucasian republics enjoy considerable support among the population of these republics. The reason for this is, that these leaders, who are all, with the exception of the president Ruslan Aushev of Ingushetia, former high ranking party functionaries, maintain their old connections, use their old channels of influence, and successfully manage to bargain from the federal center some privileges, subsidies, and other benefits for their republics. They no longer try to pursue the old Russificationist course and their cultural and social policy is completely compatible with expectations of moderate nationalists. Only nationalist extremists are incessantly criticizing these leaders, but less and less people now are inclined to listen to nationalist extremists.

However, it is also obvious that these leaders are unable and unwilling to pursue serious reforms in economy, legislation, eradication of corruption and nepotism, creation of an efficient and non-corrupted police and legal system, not prepared to an active co-operation with the wealthy businessmen of the same nationality in diaspora, to attract foreign investments into the development of the tourist business. Therefore, being not pessimistic, but realistic, we must be prepared to see rather a long period of a relative stagnation and continuation of the current bleak situation in the Northern Caucasus, rather than radical changes and efficient economic growth.