



Advocates on behalf of Jews in Russia,
Ukraine, the Baltic States & Eurasia

NCSJ WEEKLY NEWS BRIEF
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#1a

Russian businessman fined for selling anti-Semitic film JTA Brief, July 25, 2008

A Russian businessman was reportedly fined \$1,000 for selling an anti-Semitic film.

A court in a Russian town near the Belarusian and Ukrainian borders fined Dmitry Kovalyov, owner of a store called Patriot, for urging his customers to buy the film "Russia With a Knife in Its Back: Jewish Fascism and the Genocide of the Russian People," according to the Web site Jewish.ru.

Kovalyov was convicted of inciting ethnic hatred.

#1b

Anti-Semitism project debuts in Ukraine JTA Brief, July 27, 2008

The Ukrainian Jewish Committee and a group of young Ukrainians launched a project targeting xenophobia and anti-Semitism.

Using the slogans "Say no to xenophobia," and "Anti-Semitism -- No!" more than 30 members of the Youth, Europe, Future organization with the Ukrainian Jewish Committee protested Thursday in Kiev against racist attacks and other forms of intolerance.

Xenophobia and propaganda of Nazi and racist ideas have risen in Ukraine, the leaders of the groups told JTA. They also noted a rise in neo-Nazi demonstrations, as well as the building of monuments and memorials glorying Nazis.

The project will monitor and counteract intolerance in the media, as well as at events, demonstrations and speeches. It also will maintain a database of the neo-Nazi centers, push authorities to intensify the struggle against anti-Semitism, race discrimination, xenophobia and other forms of intolerance; and expand the initiatives against neo-Nazi propaganda and xenophobia in Ukraine.

"We are planning to do our best to combat all forms of intolerance in collaboration with the Ukrainian government, as well as with European and American organizations," Eduard Dolinsky, the director general of the Ukrainian Jewish Committee, told JTA. "The Ukrainian Jewish Committee demands that the Ukrainian government admit officially there is racial discrimination in the country and to take measures to overcome it and protect possible victims, according to the international obligations of Ukraine."

Aleksandr Feldman, the leader of the Ukrainian Jewish Committee and a Ukrainian lawmaker, said his organization is especially concerned about the lack or absence of official statistics regarding racial and xenophobic attacks.

"The racial and anti-Semitic motivation as a rule is not taken into account, and Ukrainian courts identify them as hooliganism or rowdiness," Feldman said.

According to Amnesty International, Ukraine has had about 30 serious racial attacks this year -- most of the victims were of African or Asian birth. Gypsies and Jews, as well as buildings owned by Jews, also have been attacked.

#1c

Anti-Semitic books on sale in central Moscow Agence France-Presse, July 28, 2008

MOSCOW - Hundreds of monarchists turned out in central Moscow on Thursday to commemorate the 90th anniversary of the slaying of Russia's last tsar Nicholas II and his family by Bolsheviks.

"The Russian people should repent for this crime," Vladimir Osipov, a monarchist party leader, said after a short religious service as many supporters held up icons with images of the tsar in Orthodox saintly robes.

Elderly women in headscarves sold far-right nationalist literature nearby including "The Protocols of the Elders of Zion," an anti-Semitic pamphlet, and books titled "Why We Hate The Jewish Mafia" and "Xenophobia or Self-Defence."

The 'Protocols of the Elders of Zion' is an infamous forgery made in Russia for the Okhrana (secret police), which blames the Jews for the country's ills. It was first privately printed in 1897 and was made public in 1905. It is copied from a 19th century novel by Hermann Goedsche and claims that a secret Jewish cabal is plotting to take over the world.

Democracy doesn't have a future. We're going to go back to monarchy," said Ivan Kolvev, 20, a student draped in a tsarist-era flag who was wearing a T-shirt reading "Glory to Russia: For Tsar and Fatherland."

Nicholas II, his wife and five children were murdered by Bolsheviks in the early hours of July 17, 1918 in Yekaterinburg, where they had been held prisoner.

They were canonised as Orthodox martyrs in 2000 but have not been formally recognised as victims of political persecution by the Russian state.

The monarchist gathering in Slavyanskaya Square in Moscow was one of many commemorations across Russia on Thursday. Church Patriarch Alexy II called on believers to reflect on the massacre "to make sense of our past and present."

#1d

Ukraine nationalist portrait sparks Russian Jewish protest Agence France-Presse, July 28, 2008

MOSCOW - A major Russian Jewish organisation on Monday criticised Ukrainian President Viktor Yushchenko for encouraging a "cult" of nationalist anti-Soviet fighters accused of killing Jews during World War II.

The Federation of Jewish Communities of Russia criticised Yushchenko for inaugurating an exhibition in Kiev last week that included a portrait of Roman Shukhevych, a leader of the wartime Ukrainian Insurgent Army guerilla group.

"Without sufficient historical analysis of their links with the Nazis or an understanding of their role in the genocide, the cult of these fighters lacks courage and sober thinking," the federation said in a statement.

Poland and Russia accuse the Ukrainian Insurgent Army (UPA) of committing atrocities against Jews.

The UPA fought Ukrainian divisions of the Red Army as well as Polish forces even after WWII ended, initially welcoming the Nazi arrivals in 1941 before mounting its resistance against Berlin.

Yushchenko has pushed for the group's former members to be given the same official status as veterans of the Soviet Red Army, and was booed by veterans of the latter at a May ceremony celebrating the 63rd anniversary of victory over Nazi Germany.

He described the UPA as "heroic combattants" who offered "courageous resistance to fascist occupants."

Yushchenko's father fought in the Red Army and survived Auschwitz concentration camp.

#1e

**McCain Rails at Russia Over TNK-BP
Bloomberg, July 29, 2008**

U.S. Senator John McCain accused Russia of forcing out BP and said Prime Minister Vladimir Putin was taking his country down an autocratic path.

The presumptive Republican presidential nominee repeated his call for Russia to be expelled from the Group of Eight. Russian leaders need to "improve their behavior," he said during a taped television appearance Sunday.

"In the last week or so, look at Russia's actions," McCain said. "They cut back on their oil supplies to the Czechs, because the Czechs made an agreement with us. They have now thrown out the -- or forced out BP out of Russia."

Russia earlier this month cut oil supplies to the Czech Republic after it agreed to host a radar station for a U.S. missile-defense system opposed by Moscow. Robert Dudley, CEO of BP's Russian joint venture, TNK-BP, left the country Thursday.

"Now Prime Minister Putin has taken his country down a path that I think is very harmful," McCain said.

#1f

**List blames Jews for Ukrainian famine
JTA Brief, July 29, 2008**

A Jewish group in Ukraine is objecting to a list of officials blamed for the country's Great Famine for being disproportionately Jewish.

The Ukrainian Jewish Committee claims the list of high-ranking Soviet state and Communist Party officials, as well as officials from the NKVD, the forerunner of the KGB secret service, released July 23 by the Security Service of Ukraine on its Web site (sbu.gov.ua), makes it appear that Jews and Latvians were responsible for perpetrating and executing the famine, or Holodomor, in 1932-33.

"The documents taken from SBU archives prove that the Famine 1932-1933 was engineered by the criminal totalitarian Stalin regime, but we should be very careful and in this case reveal the names of all high-ranking Soviet state and Communist Party officials and NKVD henchmen who perpetrated and executed the famine and repressions in 1932-1933," said Jewish Ukrainian lawmaker Aleksandr Feldman, the leader of the Ukrainian Jewish Committee, at a news conference Tuesday in Kiev.

The list of the Soviet officials is predominately, and in some cases artificially, Jewish. For example, some Jewish-sounding surnames were substituted for names that did not seem Jewish. In addition, some on the list could not have had a direct impact on the famine.

The Ukrainian Jewish Committee said publishing the list is an attempt to hide the real offenders of the Great Famine. It said the list does not name some confirmed organizers, including Grigory Petrovsky, the chairman of the Presidium of the Parliament of the Ukrainian SSR, and Vlas Chubar, the chairman of the Council of People's Commissariat.

The committee called on Ukrainian secret service to revise the list and clear up the "inaccuracy." The service on its site thanked the committee for the feedback and said the list would grow.

#1g

Foundation aids flooded-out Ukrainians JTA Brief, July 30, 2008

A Jewish foundation is helping children displaced by storms and flooding in Ukraine.

The Aleksandr Feldman Charitable Foundation has helped to provide health centers in the Kharkovsky region with food and bedding after four days of storms in the country's western regions caused major damage. The organizers say they hope to provide psychological help, as well.

According to the emergency ministry in Ukraine, at least 22 people were killed, including six children. More than 8,000 people were evacuated, and thousands were in serious danger as the water continued to rise over the weekend.

Tens of thousands of homes were flooded, 680 bridges were washed away and 561 were damaged. Power outages were reported in five regions: Lvov, Ivano-Frankovsk, Chernovtsy, Transcarpathia and Ternopol.

Feldman, a Ukraine lawmaker and Jewish leader, told JTA that his foundation is ready to host children who suffered in the flooding.

"We will together overcome the problem," he told JTA. "We have to be together now and to help one another."

#1h

Dnepropetrovsk plans Jewish community center JTA Brief, July 30, 2008

The Jewish community of Dnepropetrovsk, Ukraine, is building a towering community center with the backing of two local billionaires.

The center, which will cost between \$60 million and \$70 million, will be built around the city's 19th century synagogue on Shalom Aleichem Street, local community leaders told JTA. The center includes seven towers that together give the impression of a terraced menorah.

The nearly 400,000-square-foot Menorah Community Center will house a Holocaust museum, offices for local charities, a hotel and apartments for visiting Jewish community workers. The ambitious center is slated to be the largest Jewish building in the former Soviet Union, and could rival some of the largest Jewish buildings in the world.

Two local billionaires and partners in the Privat Group industrial holding are funding the center's construction. Gennady Bogolubov is funding the community center while Igor Kolomoysky has provided funding for the Holocaust museum.

The building will be the headquarters of Bogolubov's philanthropic foundation and also the Chabad-run Federation of Jewish Communities of Ukraine.

Construction officially began on the center this week and community leaders hope to complete the building within two years.

Dnepropetrovsk, home to between 10,000 and 30,000 Jews, is a tightly organized community under the leadership of Chabad Rabbi Shmuel Kaminetsky. The community has enjoyed close ties with the Boston Jewish community, which has provided guidance and funding for development projects for more than a decade.

#1i
Ukrainian Jews beaten at youth center
JTA Brief, July 31, 2008

Two adult workers at a Jewish youth center in Western Ukraine were severely beaten with metal rods.

Several assailants burst into the Shalom Chaverim Center for religious Jewish youth in downtown Lvov on Tuesday afternoon and beat the victims. They also shattered windows and shouted anti-Semitic slogans, including "Kikes leave Ukraine."

Local Jews and police identified the alleged attackers as neighbors of the Jewish center, Boruch-Nachman Gavrilenko, the leader of the STARS youth program in Lvov, told JTA. The attackers were said to be in their 60s.

Local Jews said it wasn't the first time the neighbors insulted Jews at the center, but it was the first physical attack.

Police are investigating the case. Jewish leaders have said law enforcement agencies have not responded properly to previous hate incidents, instead calling them hooliganism.

"There is no doubt that this is an act of anti-Semitism and those attackers do not want to see observant Jews meeting at the building," Meilekh Sheikhet, the Lvov monitor for the Union of Council for Jews in the Former Soviet Union, an advocacy group, told JTA. "It is possible because some Ukrainian leaders promote xenophobic and anti-Semitic ideas in society."

Gavrilenko says approximately 30 young Jews attend programs at the center.

#1j
Billionaire Gaydamak to be tried in France
JTA Brief, July 31, 2008

Jewish billionaire Arcady Gaydamak will be tried in France on charges of illegal gun-running to Angola.

French media reported Thursday that the prosecutor has refused to close the case, according to news reports.

Gaydamak, who is suspected of shipping arms to Angola during the 1990s, left France for Israel in 2000 in part to escape the charges. A warrant for his arrest was renewed last week. The trial is scheduled to begin in October.

Gaydamak announced his candidacy for mayor of Jerusalem on Wednesday.

Hours after Gaydamak threw his hat into the ring, Israeli prosecutors told him that they had launched an investigation into allegations of vote-buying at a private meeting in his home earlier this year.

He is also facing indictment in Israel over allegations of money laundering and fraud. He was questioned over those allegations in May.

#1k

Russia shuts down Hamas Web site

JTA Brief, July 31, 2008

The Russian government closed the Web site of a militant branch of Hamas.

Russian-speaking Israeli lawmakers had requested the shutdown.

The site of Az-Adin Al-Qassam was taken off its Russian-hosted server last week. In a public statement, the group cited efforts of "the Zionist lobby" that led to the site's demise.

The Parliamentary Club of the World Congress of Russian Jewry had discussed the site earlier this month in Moscow. In a meeting with the deputy speaker of Russia's senate, Alexander Torshin, members discussed the terrorist-backed Web site, which was hosted by a Russian company, Data Force.

The Web site had been upgraded in June. In a statement, Az-Adin Al-Qassam said the update had increased traffic to the site and drawn the attention of the lawmakers.

The site contained video and audio files glorifying suicide bombers and rockets attacks, and included recruiting information, according to IzRus, a Russian-language Israeli publication.

#1l

Construction at cemetery site halted

JTA Brief, July 31, 2008

A local construction firm will halt construction at the site of a Jewish cemetery in Dnepropetrovsk, Ukraine.

Rabbi Shmuel Kaminetsky, Dnepropetrovsk's spiritual leader, told JTA that the agreement with ATB was reached this week on shutting down the building of a shopping mall, but he did not provide details of the discussions.

Kaminetsky praised the company's head, Gennady Butkevich, for responding to the concerns of the Jewish community, Jewish.ru reported.

The cemetery is no longer in use, but it contains gravesites of local Jews dating back to the 1930s. Soviet secret police also used the site to bury thousands of Soviet citizens after the cemetery's closure.

Meanwhile, in Odessa, Ukraine, the Jewish community is having little success in stopping the construction of a mall on the site of a 1941 massacre by German soldiers.

The Nazis killed and cremated more than 25,000 people on the site. Recent work there turned up the remains of massacre victims.

Bulldozers were working at the site when JTA visited Wednesday.

The Odessa Jewish community sent a letter to Ukrainian Prime Minister Yulia Timoshenko demanding that all unearthed remains be found and returned to the site. It asked the government to ban construction and erect a memorial in its place.

The site owner and developer is a member of the Ukrainian legislature.

Ze'ev Elkin, a native Ukrainian and a lawmaker in Israel's Knesset, sent a letter to Timoshenko as well, asking for the Ukrainian government to intervene.

#1m

Lawyer's espionage trial opens in Belarus

JTA Brief, July 31, 2008

The espionage trial of a Jewish American lawyer began behind closed doors in Belarus.

If convicted on the charges of carrying forged documents, drug possession and industrial espionage, Emmanuel Zeltser of New York faces seven years in prison, Reuters reported.

Belarusian authorities arrested Zeltser in March as soon as his plane touched down in Minsk, where he arrived to represent the interests of Josef Kay.

Kay is in a struggle to claim the assets of Arkady Patarkatsishvili, a Georgian billionaire who died earlier this year.

In a series of events clouded in secrecy, Zeltser flew to Minsk on the private plane of Boris Berezovsky, a Jewish oligarch in voluntary exile from Russia. Berezovsky was a business partner of Patarkatsishvili and is also seeking a portion of his estate.

The U.S. State Department and its embassy in Belarus, which has been reduced to a skeleton staff over the past six months in a diplomatic struggle, have expressed concern over Zeltser's detainment. They have called for his release for health-related reasons, saying his detainment may lead to irreversible damage or death.

In a session at the Belarusian embassy in May, the highest-ranking State Department official in Belarus told JTA that U.S. officials had only been allowed one visit to the lawyer.

Zeltser originally was arrested only on the forged documents charges, but Belarusian authorities later tacked on the espionage and drug possession charges. Zeltser's lawyer said the drugs were pain pills for his client's back.

#1n

Russians Pull Out of Georgian Area

Reuters, July 31, 2008

SUKHUMI, Georgia — The last of 400 Russian soldiers sent to repair a railroad in Georgia's rebel region of Abkhazia began to leave on Wednesday, ending a deployment that had angered Georgia and its Western allies.

"It's certain that all the personnel and all the equipment will be sent away from here," the Russian commander, Lt. Gen. Sergei Klimets, said after he had handed out medals to the soldiers.

Abkhazia is a lush, mountainous stretch of land that hugs the Black Sea. Rebels fought Georgia after the collapse of the Soviet Union in a three-year war that ended in a cease-fire.

Georgia has accused Russia, which has about 3,000 soldiers in the region acting as peacekeepers, of trying to annex Abkhazia, but Russia said the deployment of the unarmed railroad soldiers was to provide humanitarian aid.

Russia and the United States are competing for influence in the Caucasus, which the West sees as a vital route for exporting oil from the Caspian Sea.

The railroad line links Abkhazia's capital, Sukhumi, to the town of Ochamchira, to the south.

#2

Russian moguls join forces in philanthropy

By Grant Slater

JTA, July 25, 2008

MOSCOW - A closely allied group of prominent and controversial Russian billionaires has thrown its largesse behind a multinational philanthropic fund to develop Jewish identity among Russian speakers worldwide.

The Genesis Philanthropy Group is already providing targeted grants in the United States, Russia and Israel for a bevy of Jewish educational, travel and community development programs.

Operating in relative anonymity since its founding in Sept. 2007, the group represents a new effort to bolster Jewish identity among Russian-speaking Jews worldwide -- and has the financial wherewithal to back it up.

While figures like Lev Leviev and Vladimir Goussinsky have made names for themselves in the world of Jewish philanthropy, this appears to be the first time that a group of top Russian Jewish business figures have launched a coordinated philanthropic effort.

Grantees describe the group as businesslike in its approach to philanthropy. The board has outsourced its grant-making functions to philanthropic management organizations in the three countries where it operates.

The foundation also differs from predecessor groups backed by wealthy Russians in that the founders have sought to keep their distance from the groups they are funding with grants for hundreds of thousands of dollars at a time.

"The people behind the foundation are people who are capable of spending tens of millions of dollars a year, which is really what is needed," said Avraham Infeld, president of the Chais Family Foundation and a Genesis board member. "There's nobody in Genesis that wishes to fund a new Jewish congress that they will head."

Some of Genesis' five founders are the CEOs, executive directors and chairmen of a consortium that is mired currently in boardroom warfare for control of Russia's third largest oil company, TNK-BP.

Their names have been splashed across the business pages of Russia and the world for months as a saga of expelled workers, visa denials and boardroom espionage unfolded between the Russian investors and British Petroleum. The takeover bid has stirred fears that the Russian government is seeking a stake in the company through a state-controlled enterprise.

Stan Polovets, the president and CEO of Genesis, is the chief executive of Alfa-Access-Renova, or AAR. AAR, a consortium that controls 50 percent of TNK-BP, has launched an effort to depose the company's current CEO, Robert Dudley, and secure a controlling stake in the company.

Mikhail Fridman, the most prominent of Genesis' founders, is Russia's fourth-richest man, according to Forbes Magazine, and the chairman of Alfa Group. Other founders include German Kahn, the executive director of TNK-BP and Russia's ninth-richest man; Pyotr Aven, the president of Alfa Bank, which acts as Alfa's treasury and private bank; and Alex Knaster, the CEO of a capital management firm with close ties to Alfa.

Genesis was founded long before the corporate struggles emerged early this year.

Polovets has taken a hands-on role in the nascent stages of the foundation, meeting with grantees and directing the group's efforts through its local philanthropic subsidiaries.

In New York, Genesis has tapped the Jewish Funders Network to run its grant-making and proposal operations. They have similar agreements with Matan in Israel and Charities Aid Foundation Russia, a British-based organization that handles charity efforts for companies and individuals.

A spokesman for Charities Aid told JTA that Polovets was not available for an interview on the project.

"The directors made the decision early on that they wanted to avoid the foundation having a significant infrastructure of its own and wanted to look for trusted partners where possible to take responsibility for the operational side," said Mark Charendoff, president of the Jewish Funders Network.

Genesis is registered as a non-profit charity in Israel, but it is working through the NGO status of the funders network and Charities Aid in the other two countries, Charendoff said.

For nearly a year, the group has consulted with and established connections with some of the most prominent names in Jewish philanthropy and teamed up with organizations in the United States and Israel.

A brochure posted on CAF-Russia's Web site features testimonials from Lynn Schusterman of the Charles and Lynn Schusterman Family Foundation, and Misha Galperin, head of the Jewish Federation of Greater Washington, among others.

A Web site for Genesis (www.gpg.org) appeared for the first time this week.

"The directors of the foundation have wanted the focus to be on doing good and getting our bearings in terms of grant-making," Charendoff said. "Their preference is that any impact flows out results as opposed to press releases."

Eliezer Yaari, executive director of the New Israel Fund, was one of the first recipients. His group received a \$450,000 grant to map the Russian-speaking populations in Israeli cities while developing a socio-economic profile of the community.

Yaari said the board asked for a serious proposal and a laundry list of results before making an initial investment that could be increased once the project takes off.

"They don't pour cold water on you, but they are very professional and very careful. They are looking for the right return for the investment," Yaari told JTA.

So far, many of the grants have been aimed primarily at developing the Jewish identity of young Russian-speaking Jews across the world.

The New-York based Council of Jewish Emigre Community Organizations received a grant to train teachers and possibly expand their network of Russian-speaking day schools to Philadelphia and Boston.

Roman Shmulenson, the council's executive director, said that Polovets contacted his organization and asked them to work up a proposal for Genesis. The council also receives funding from the UJA-Federation of New York.

The council's \$100,000 grant is a standard baseline amount from Genesis for groups that apply, according to grantees.

"It's good to work with Genesis because they understand Russian-speaking needs. Sometimes we feel that there is a gap in understanding with American Jewish funders," Shmulenson said.

Ezra USA, a Brooklyn-based group that funds Birthright trips to Israel and leadership seminars for Russian speakers, received a grant to subsidize Israel trip and a Jewish identity-building trip to Argentina, the first of which was in February. Ezra is also planning to expand the group to Boston.

Sara Pinsky, the associate executive director for Ezra, said Polovets met twice with her group on a recent trip to Israel and spoke with them about the best way to draw young, Russian-speaking Jews toward their ethnic roots.

Ezra USA first worked with Genesis in early spring of this year, and the grant money is now helping them with their operations, Pinsky said.

In Russia, Genesis faces a crowded field of Jewish organizations seeking to pull Russia's largely assimilated community into a closer Jewish orbit.

The organization has set their sights on the younger generation, contributing to Jewish studies at Moscow State University and establishing a partnership with Hillel in the former Soviet Union.

Polovets sits on the steering committee of Hillel FSU, an exception from Genesis' policy of not joining the leadership of organizations they choose to fund.

Ilya Pestrikov, Hillel's Russia director, said that Polovets was familiarizing himself with the organization and its inner workings before Genesis decided to become a funding partner of the largest Jewish youth organization in the region.

#3

Head of Chabad-led federation steps down from Moscow post

By Grant Slater

JTA, July 27, 2008

MOSCOW -- The executive director of the Chabad-led Federation of Jewish Communities of the former Soviet Union has left his post to create an independent office in Moscow, JTA has learned.

Rabbi Avraham Berkowitz, 32, was recruited by the chief Chabad rabbi in Russia, Berel Lazar, and the president of the Federation of Jewish Communities, Lev Leviev, to head up the organization's fund-raising and outreach efforts in the Commonwealth of Independent States.

Berkowitz resigned July 1 after serving for eight years.

He envisions that his new office, which has no official status and no name as yet, will develop projects to reach the most assimilated Russian Jews -- those who never come to a synagogue or for Jewish holidays. This would encompass a majority of Russians in the former Soviet Union.

Berkowitz's departure is a rare high-level shift within the tight-knit structure of the federation and Chabad. Lazar told JTA his group is seeking a new executive director, but it is too soon to tell what impact Berkowitz's departure will have on the federation.

During Berkowitz's tenure, the federation cultivated close ties with the Russian government and became the dominant force in establishing Jewish communities in Russia and throughout the former Soviet Union, most noticeably through a strategy of building community centers in far-flung cities.

"The fire is burning in my belly in a different direction," Berkowitz told JTA. "I'm moving from an administrative post to setting up a creative office that doesn't have the organizational structures and creative limitations."

The office will be recognized by Chabad and the federation but will not receive funding from them unless the mission of the federation and Berkowitz align for a specific project, Berkowitz said. He said he would be seeking independent funding from donors and foundations, even the federation.

Berkowitz, a gregarious and voracious networker originally from Southfield, Mich., traveled often from his home office in Moscow to the United States, Israel and other countries on a raft of projects and fund-raising initiatives directed at pouring money into Jewish community development across the former Soviet Union.

Lazar said the federation believes it has completed the first phase of its development in Russia, a period in which Berkowitz's openness was central to its mission.

The rabbi said he and Berokowitz agreed that for now, an administrative position within the federation was not suited for him. Lazar said the resignation was mutual and amicable.

"I believe his skills are more in creating and not running things on a day-to-day basis," Lazar told JTA. "I think he felt and we felt that he, more or less, did what he could in this organization."

The federation will begin searching for a new executive director, a position that involves extensive travel in the former Soviet Union. Lazar said the federation would probably look for a Russian-born or local rabbi to fill the position.

Lazar described his vision for Berkowitz's new initiative as "off to the side and parallel" to the work of the federation. Both said Berkowitz would continue to work closely with Chabad in the former Soviet Union.

"To keep him within the box is not fair for him and not fair for Russian Jews," Lazar said.

Berkowitz also serves as the federation's rabbi for the expatriate community living in Moscow, providing Passover dinners, officiating at bar mitzvahs and other rabbinical services to diplomats, businessmen and members of the foreign media. He will remain in that position as a Chabad rabbi under Lazar's leadership.

His wife, Leah, will continue to head the Ohr Avner Resource Center, a branch of the federation in Russia.

#4

Moldova Pushes For Transdniester Settlement

By Andrei Popov

RFE/RL, July 27, 2008

Representatives of all parties involved in the Transdniester settlement process gathered in Moldova for informal discussions on July 21-23.

First, the 3+2 format -- the Organization for Security and Cooperation in Europe (OSCE), Russia, and Ukraine, as mediators, and the European Union and the United States, as observers -- held separate meetings with Moldovan President Vladimir Voronin and Transdniester "vice president" Aleksandr Korolyov. The region's de facto president, Igor Smirnov, demonstratively chose not to attend.

Then the same group participated in a meeting of the heads of joint expert groups for socioeconomic issues set up between Chisinau and Tiraspol.

Finally, informal consultations were held within the complete 5+2 format, including the Moldovan and Transdniester chief negotiators focusing exclusively on proposals for advancing confidence-building measures between the two sides.

As this was only the second such informal meeting of the 5+2 format since negotiations broke down in February 2006, the mere fact that all involved parties came to the table and exchanged views was assessed by many as a positive development and a step toward the resumption of formal negotiations, which is tentatively scheduled for the second half of September. Before the talks, nobody -- with the exception of the Moldovan leadership -- expressed any hopes that they could yield more substantive results, let alone a breakthrough.

Although no formal agreements were concluded or protocols signed, Chisinau and Tiraspol agreed to meet each other halfway to unblock the work of the expert groups, particularly in the fields of the environment, transportation, and humanitarian assistance. Heikki Talvitie, special representative of the Finnish OSCE chairman-in-office, termed that expressed willingness the most important results of the talks.

The prevalent mood within the 3+2 seems to favor a pragmatic "small-steps" approach, which seeks to advance what is possible on the confidence-building agenda, while leaving highly contentious political and security issues for later discussion.

However, Chisinau suspects Tiraspol of using confidence-building measures selectively to address the existing socioeconomic problems and strengthen its capacity to preserve the status quo and continue dragging its feet on a political solution.

From the point of view of the Moldovan leadership, confidence-building efforts can bring a solution closer only if they are implemented as an integral part of a broader process of conflict resolution, not if they are decoupled from it.

For about a year, Moldova has been vigorously pushing for holding a marathon session of the 5+2 format to discuss, and hopefully approve, the so-called Package proposals. These proposals were drafted in late 2006 by senior Moldovan experts, who tried to find a common denominator that would accommodate both Moldova's and Russia's main interests without undermining the viability of a future reintegrated state or legalizing Russia's military presence in Moldova.

In a nutshell, the Package is rooted in the logic of trade-offs. In exchange for reconfirming its neutral status, demilitarizing the country, and unconditionally recognizing Russia's property rights in Transdniestria (which accounts for up to 80 percent of the region's industrial potential), Moldova expects that Moscow would agree to withdraw its armed forces from Moldova and promote a viable settlement.

Other key elements are a broad autonomous status for Transdniestria; a clear division of competences between Chisinau and Tiraspol; functional central institutions; and proportional representation of Transdniestria in the Moldovan parliament.

The last point is crucial insofar as it envisages holding the March 2009 elections to the Moldovan parliament jointly with Transdniestria. As a separate electoral district, the region would be entitled to a quota of deputies proportional to its share of Moldova's total population (estimated at 13 percent), or even higher.

However, for this to happen, Moldova would need to amend its Election Law several months before the ballot, which means the settlement agreement would have to be approved in the 5+2 format no later than mid-fall.

This rapidly approaching deadline, after which it would be impossible, even technically, to hold joint elections with Transdniestria, could well explain Voronin's impatience to start negotiations and his growing frustration over the failure to get the entire 3+2 to move ahead.

The European Union and the United States long ago welcomed the Package proposals as a good foundation for a viable settlement. Moscow, however, has never formally reacted, in spite of Chisinau's persistent attempts to elicit a positive response. Voronin has sought to convince Russia of the Package's merits and of Chisinau's trustworthiness, both by soliciting international recognition of Moldova's permanent neutrality, and by affirming his willingness to further accommodate Kremlin concerns even at the expense of Moldova's interests (i.e., accepting a humiliating meeting with Smirnov in April, sabotaging the work of GUAM, reducing cooperation with NATO, escalating the conflict with Romania, and so on).

Voronin has not yet given up hope that Moscow will ultimately reward Chisinau's soft line (thus also indirectly demonstrating the "advantages" of this course over the hard-line approach promoted by Tbilisi). At a minimum, Voronin wants a clear response to the Package proposal, but he would prefer active support from Russia for the rapid launch of negotiations and a fast-track settlement on the basis of the Package.

However, so far there have been no indications that Russia is prepared to renounce its long-standing policy of using the unresolved Transdnierster conflict as leverage to circumscribe Moldova's foreign-policy options. On the contrary, evidence is piling up that Moscow still sees legalization of its military presence in Moldova and Transdnierster's veto over the main decisions of the Moldovan parliament as the key preconditions of an acceptable settlement.

The Package doesn't offer Moscow comparable leverage, which explains why Russia is not rushing to support it. At the same time, there are few further concessions Chisinau can make without compromising the viability of the state and triggering a major domestic political crisis.

Nonetheless, during his meeting with the 3+2 on July 22, Voronin once again affirmed his belief that the conflict could be resolved by the end of 2008. Moreover, after this meeting, he declared that Russia is well aware of the advantages it can gain from such a settlement and that it will therefore very soon express support for this plan.

Sooner rather than later, however, Voronin will have to face up to the realization that in the current circumstances the Package cannot be accepted by Moscow. Will he continue to stick to his goal of resolving the conflict before the March 2009 elections and agree to additional massive concessions in order to achieve this? Or will he grudgingly give up hopes of a settlement in 2008 and accept an alternative approach that could take several years?

Nor is it clear that Russia will actually offer Chisinau the possibility to make this choice. Moscow seems to be comfortable with the status quo. Either it does not believe it can realistically obtain anything better at this point, or it is not convinced Chisinau will pull its current offer off the table and toughen its stance after the parliamentary elections, as Voronin regularly warns. The Kremlin may not even believe Voronin is genuinely prepared to accept a revamped version of the 2003 Kozak plan or is capable of delivering this settlement in the last six months of his mandate.

However, it would be wrong to conclude that Moscow has fully abandoned hopes of achieving a settlement on its terms. After the summer break, Russian President Dmitry Medvedev plans to hold separate meetings with Voronin and Smirnov.

If Russia then decides to play hardball -- which is still possible, but not very likely -- the big question is whether Voronin will be capable of staying his current course and "refusing the offer" to cross the red lines for the sake of a settlement before elections. And if he is not -- which is not very likely, but can't be ruled out -- will the internal and external reactions to such a development be capable of preventing an unviable resolution from happening?

Andrei Popov is executive director of the Foreign Policy Association of Moldova (APE). The views expressed in this commentary are the author's own and do not necessarily reflect those of RFE/RL

#5

Russian Proposal Calls for Broader Security Pact

By Judy Dempsey

New York Times, July 28, 2008

BERLIN — Russia, which under Vladimir V. Putin has shown increasing hostility toward NATO and other post-World War II security organizations in Europe, has put together a set of proposals that essentially sidelines these groups in favor of a broader one.

The proposals, to be presented to NATO on Monday in Brussels, clearly have no chance of being accepted by the United States and its allies in Europe. But they reflect the Kremlin's latest efforts to reassert itself on the world stage and to challenge longstanding diplomatic practices.

The Kremlin wants in particular to weaken the Organization for Security and Cooperation in Europe, which Russia is a member of, and NATO, which it is not. The Russian proposal would establish a broad security pact open to other countries, including possibly China and India.

Dmitri Rogozin, Russia's envoy to NATO, acknowledged that the alliance would not quickly embrace the proposals, but he suggested that the Kremlin was hoping to begin a dialogue.

"We do not expect immediate reaction on the part of our Western partners, or booing, or on the contrary, applause," Mr. Rogozin wrote in reply to questions about his proposals. "We are looking forward to teamwork and practical search of constructive approaches."

Mr. Putin sent Mr. Rogozin, who has a reputation as a fierce Russian nationalist, to the alliance this year in what was widely seen as an attempt to install a provocative advocate for Russia's interests in Brussels. Mr. Putin is now Russia's prime minister, and his protegee, Dmitri A. Medvedev, is president.

NATO will comment on Mr. Rogozin's proposals once it has received more details, James Appathurai, a spokesman for the alliance, said Sunday.

The Kremlin has already promoted changes in the Organization for Security and Cooperation in Europe. Among the organization's roles, O.S.C.E. monitors elections in nations emerging from the former Soviet Union. Over the last year, the Kremlin has criticized its election observer teams as biased.

The new Russian proposals indicate that now that Russia's economy has revived after the chaos of the 1990s, the country is seeking new ways to expand its influence.

"Moscow believes that the current security architecture in Europe is a remnant of the cold war bloc ideology," said Andrew Monaghan, a Russia expert at the NATO Defense College in Rome. "Russia sees itself as the largest state straddling Europe and Asia which has the strength and capacity to adopt a global purview. This includes protecting and projecting its national interests and actively proposing solutions to international problems."

At the heart of the proposals, Mr. Rogozin said, is a new European security treaty that would be a legally binding document based on the United Nations Charter.

He said Russia would also convene an international forum that would include the Organization for Security and Cooperation in Europe, NATO, the European Union, the Russian-led Commonwealth of Independent States and the Russian-led Collective Security Treaty Organization, which includes Central Asian countries.

The main reason for a new security pact is that Europe can no longer cope with the plethora of problems it faces, according to one of the proposals. "Modern European security is overwhelmed with problems, ranging from NATO enlargement to illegal migration, drug trafficking, organized crime and terrorism," it says.

#6

Teens Enter Pleas on Hate Crime Charges

By Yelena Shuster

Moscow Times, July 29, 2008

The trial of 12 minors charged with a series of racially motivated crimes last year, including the murder of a Sakha native that was filmed with a cell phone, opened Monday with some of the accused entering pleas of not guilty.

There is also one adult among those standing trial on two charges of murder and 10 charges of attempted murder for crimes committed between August and October. The defendants allegedly targeted dark-skinned foreigners, filmed the attacks and shared the footage via ICQ.

The remaining defendants pleaded guilty to only some of the charges, said Moscow City Court spokeswoman Anna Usachyova. She would not provide specific figures for the number who had pleaded guilty or not guilty.

Judge Vladimir Usov had ordered the trial closed to the public and media, in accordance with Russian law in cases involving minors.

The suspects have been charged with premeditated murder, attempted murder and inciting ethnic hatred.

Monday's proceeding involved only the entering of pleas by the accused and Prosecutor Dmitry Dyadyura's request that the court hand down guilty sentences to all 13 defendants, before hearings were adjourned until Tuesday morning.

One of the attacks the teens are charged with is the murder of Sakha native and tournament chess player Sergei Nikolayev, 46, who was stabbed to death by drunken football fans on Oct. 20, following a victory by the Spartak Moscow football club.

Galina Kozhevnikova, deputy head of the Sova Center, which tracks hate crimes, has called the case unprecedented because the suspects are the first group prosecutors have acknowledged as carrying out "organized, large-scaled Nazi campaigns."

This trial opened on the heels of an announcement Friday by Investigative Committee head Alexander Bastrykin that the number of hate crimes committed in Moscow has increased sixfold this year.

As of last week, 60 people have been murdered and 209 wounded in hate crimes in Moscow, according to statistics compiled by the Sova Center.

#7

Russia's plan to avert second cold war

By Fred Weir

Christian Science Monitor, July 29, 2008

Standoffs over Georgia and a US missile-defense shield stem from one main irritant: Moscow had no hand in designing global security after the USSR collapsed. Medvedev wants to fix that.

Moscow - The dark clouds gathering this summer between Moscow and the West have some experts concerned that the world is on the brink of a new cold war. They point to two flash points. One, the ex-Soviet state of Georgia, is largely driven by Moscow's fear of NATO expanding into its traditional sphere of influence. The other is a proposed US missile-defense shield in Eastern Europe. Russia has promised to retaliate – possibly by basing nuclear-capable bombers in Cuba, according to an unofficial news report quoting unnamed top security officials last week.

"It's no longer just rhetoric, it could start to get quite serious," says Dmitri Trenin, an analyst with the Carnegie Center in Moscow. "The message being put out by Moscow is that the West needs to realize that it's approaching a line, beyond which there could be a real showdown."

But Russian President Dmitri Medvedev, has a plan to arrest the slide by creating an alternative to NATO. Though it has yet to gain traction in the West, Mr. Medvedev's plan, announced in Berlin last month, has been much discussed in the Russian media. In short, it would redesign Europe's security system from the bottom up – but this time, Russian would participate as an equal partner and founder of the new bloc. Russian experts are dubbing the concept "EATO" – Euro-Atlantic Treaty Organization – a big-tent security grouping that would replace NATO – the North Atlantic Treaty Organization – and say it is likely to become the signature foreign policy theme of Medvedev's presidency. It would also, say supporters, remove the main irritant in Russia's relations with the West today.

Unlike the former cold war, Russian officials argue, today's growing rift between Moscow and the West is not based on irreconcilable ideological or geopolitical hostility. The main problem, they say, stems from the West's failure to work with Russia to re-imagine global security architecture following the USSR's collapse. Confidantes of former Soviet President Mikhail Gorbachev say that US leaders reneged on pledges to build a "new world order" after Soviet troops withdrew from Eastern Europe and the Communist military alliance – the Warsaw Pact – was disbanded.

"Gorbachev made deep concessions to the West in order to break out of the vicious cycle of the arms race. But later, when Russia was going through a painful economic transition and we needed support, the West turned away," says Andrei Grachev, who was a Kremlin adviser and Gorbachev's presidential spokesman at the time. "Despite promises that had been given to us, the West decided to use [Russia's weakness and economic turmoil] in order to expand NATO to the east. I believe that the anti-Western moods present in Russian society today can be explained by the fact that the West treated Russia as a vanquished enemy," rather than a potential partner, he says.

The sorest point is the inexorable advance of NATO into the USSR's former sphere which could soon see inclusion of the ex-Soviet states of Georgia and Ukraine. Little has come from past attempts to develop a NATO-Russian partnership, and Moscow views the Western alliance as a cold war artifact that unites European countries against Russia. "Russia's view is that NATO creates new divisions in Europe," says Tatiana Parkhalina, director of the official Center for European Security Studies in Moscow. Unlike the previous cycle of NATO expansion, which took in Eastern European states of lesser strategic concern to Russia, the new candidates are part of the core of the former USSR. "Ukraine is felt by Russians as part of traditional Russian lands. To many Russians it's just unthinkable for it to become part of an outside military alliance," she says.

Mr. Trenin argues that if Ukraine is admitted to NATO's membership action program, which could happen as early as December, "that would start a political warfare campaign in Ukraine," he says. "I see Russia ceasing to value the sovereignty of Ukraine now that it's dropping into the US lap. I see a harshening of the tone in Moscow. The whole foreign policy of Russia will change."

Another looming flashpoint is US determination to install antimissile installations in Eastern Europe to counter what it sees as a nuclear missile threat from rogue states such as Iran and North Korea. At the Group of Eight summit in Japan earlier this month, Medvedev promised to "retaliate" if the scheme to build radars in the Czech Republic and deploy interceptor rockets in Poland is finalized.

In what experts say were a series of calculated leaks to Moscow newspapers last week, the Kremlin let the world know what such retaliation might look like. It could come in the shape of medium-range nuclear missiles based in the Russian Baltic enclave of Kaliningrad and targeted on European capitals. Or, according to a detailed report in the daily Izvestia that cited top military sources, Russia might revive an old Soviet-era airfield in Cuba as a base for its Tu-95 and Tu-160 long-range nuclear bombers. Russian officials denied the stories, but experts say there's little doubt they were Kremlin-approved.

"I don't think Russian bombers in Cuba is something to be seriously discussed at the moment, but the leak was clearly designed for psychological impact," says Fyodor Lukyanov, editor of Russia in Global Affairs, a leading foreign-policy journal. "These stories say to the West: 'You'd better start thinking about this, because we are very, very serious.'"

The Russian alternative, outlined by Medvedev in various statements, is a vague project that would be kicked off by a pan-European meeting of government leaders and security experts to develop a new concept that would include all the post-Soviet states, including Russia. One of the main aims of his presidency, he said, will be to establish a strategic partnership with the European Union that could be the mainstay of a "big Europe without dividing lines."

"The issue of rejoining Europe will be the central theme for Medvedev, whether his proposal is accepted or not," says Gleb Pavlovsky, a longtime Kremlin adviser. "The existing architecture is in crisis, and it isn't working. We need a new design, with an emphasis on security for all countries in Europe."

#8

WTO Can Place Russia on the Right Track

By Anders Aslund

Moscow Times, July 31, 2008

The World Trade Organization's Doha round on further trade liberalization has just fallen apart in Geneva. Does that mean that Russia's application for WTO membership is now a nonissue? On the contrary, the WTO remains relevant regardless of whether or not further liberalization proceeds.

About 96 percent of world trade is undertaken among members of the WTO, and Russia is the biggest economy outside this organization. As a consequence, it is not a part of any negotiation on world trade and the rules of global trade are set by other countries. What nation -- let alone a rising global power -- wants to be in that situation? In the last five years, the Russian government has pursued less of an economic policy than it has a fiscal policy. During this period, Russia has adopted hardly any economic legislation. In a recent column, I complained over the Central Bank's neglect of the rampant inflationary crisis.

Since 2004, Russia has lived on the Yeltsin-era reforms and high oil prices, but the good times may be coming to an end. The country's economy is overheating, as evident from its high inflation, high real estate prices and a labor shortage, particularly in qualified staff. Although the growth rate remains high, the backlog of reforms is mounting.

For these reasons, Russia should focus on finally becoming a member of the WTO. This should be one of its most important strategic priorities. In the debate surrounding Russia, one view is that it is part of the world and should be fully integrated. The other is that it is special and must be kept apart. WTO membership could help defeat that isolationism for good.

The impact on the Russian economy of accession to the WTO would be quite substantial. The World Bank sponsored a series of authoritative studies by David Tarr, Jesper Jensen and Thomas Rutherford. They assessed that WTO membership would give Russia 0.7 percentage points higher growth rate for the next five years. The gains would mainly come from the liberalization of barriers to foreign direct investment in services, better resource allocation thanks to lower tariffs reduction, and greater access for the country's products in foreign markets.

Russia's current problems underline its need for WTO membership. The biggest concern is corruption, and it is well known that kickbacks for major procurement orders amount to one-third to half of a public contract. What anti-corruption measure would be more effective than international standards for procurement, which may be part of the country's WTO accession?

Another issue is inflation. Even if the prime problem is exchange rate and monetary policy, liberalization of foreign trade would enhance competition that over time drives prices down. That Moscow is the most expensive city in the world shows the lack of competition.

So far, Russia's exporters of metals and chemicals are not suffering from limited access to export markets. But metals prices have been soft recently, and we are at the end of one of the greatest booms of world history. Metals and chemicals account for one-fifth of the country's total exports. Therefore, their continued market access is vital for the country. At present, any nation can prohibit imports from Russia without any legal repercussions because the WTO is the only effective arbitration court for world trade. Unfortunately, Moscow has no seat at that table.

On May 16, Ukraine became the 152nd member to be accepted into the WTO, beating Russia to the punch. Ukrainian steel exporters understood their weak position in world trade and asked their government to secure their future market access.

Moreover, it is impossible to speak about Russia ever becoming a world financial center as long as it is not part of the WTO. True, Russia is a member of the World Bank and the International Monetary Fund, but these organizations have lost much of their significance in recent years, while the WTO remains important.

Russia is very close to gaining admittance into the WTO, but three significant obstacles remain.

The first and most complex impediment is a bilateral agreement with Ukraine that demands months of negotiations. Each new member of the WTO has the right to ask for a bilateral protocol with applicants on market access. Recently, the United Arab Emirates, Saudi Arabia, Cambodia and Vietnam have done so with Russia, which has been compelled to offer each of them some benefits. The WTO is a club, and its members can demand applicants to comply with all of the rules of the club before they join.

Bilateral trade between Russia and Ukraine is huge -- nearly \$30 billion a year -- and Moscow has had a habit of imposing protectionist measures on Kiev. The Ukrainians might be polite, but their trade negotiators are rather clever, as they have shown through their entry into the WTO. They will kindly request that Moscow abandons all trade barriers that do not comply with WTO rules, and Russia should meet this demand immediately. Otherwise, other new members will enter the trade group and pose new difficult demands. Like all current WTO members, Ukraine wants Russia to join the organization.

The second impediment is Georgia, which is politically more difficult. Although Russia has imposed multiple trade embargoes on the Georgians, Tbilisi has focused on one single issue -- border controls in Abkhazia and South Ossetia. This may seem political and beyond the range of trade policy, but the Georgians have successfully defended their position. This issue can be resolved, and the Kremlin had better realize it is in its own interest to do so.

The last obstacle might seem prosaic by comparison. Finland and Sweden, and thus the European Union, do not accept that Russia has decided to impose prohibitive export tariffs on lumber from Jan. 1, 2009. The EU will just put a veto until Russia succumbs.

Sure, other issues exist. The last working party session in Geneva did not subtract but added open issues. Agricultural restrictions and poor defense of intellectual property rights may flame up again, as well as export tariffs and the role of state corporations in the economy. Yet Russia has hardly ever been so close to entering the WTO as it is now.

President Dmitry Medvedev has said good things about the WTO, while Prime Minister Vladimir Putin ignored it during his last term as president. Russia's accession to the WTO could be Medvedev's signal that he is putting Russia on the right economic track again.

Anders Aslund, a senior fellow of the Peterson Institute for International Economics, is the author of "Russia's Capitalist Revolution: Why Market Reform Succeeded and Democracy Failed."

#9

**In Russia, Migrant Workers Live In Fear Of Racism
NPR, July 29, 2008**

MELISSA BLOCK, host: In Russia, there's been a sharp rise in the number of hate crimes. According to groups that support migrant workers, at least 60 people are believed to have been killed so far this year and another 100 injured. The violence is spreading fear among millions of migrants in Russia, especially workers from Central Asia. As NPR's Gregory Feifer reports, they say they're attacked on a daily basis.

GREGORY FEIFER: Twenty-eight-year-old Suhali Sayida(ph) was leaving the Metro one evening when a group of five young men attacked him with knives. They stabbed Sayida in the stomach, but he escaped and survived. Still, he says, another attack on a young Central-Asian woman haunts him more.

Mr. SUHALI SAYIDA (Russian Migrant Worker): (Through translator) I saw her killed in front of me. It was also outside the Metro, and there were lots of people around. The police did nothing. Three men grabbed her. She was screaming. Then they smashed her head with a brick.

FEIFER: Sayida, who is from Tajikistan, has been assaulted three times. He lost his job as a security guard because he's afraid to be out after dark, but Sayida can't make a living in Tajikistan, where the average wage is only \$15 a month. If he works in Moscow, he can support 10 family members back home. (Soundbite of machinery)

FEIFER: A Tajik worker operates a drill at a construction site in southern Moscow. Russia's huge oil wealth is fueling a major building boom. Most of the workers here, from Tajikistan, earn around \$800 a month. It's thought 60 percent of Tajikistan's working population is in Russia, although migrants are rarely seen on the streets, except when they're sweeping them.

Central Asians form part of a virtually segregated second class of residents, providing cheap labor, doing the kind of back-breaking and dangerous work Russians refuse to do.

Construction worker Said Chekhanov says there are no cranes at the building site and that workers have to lug tons of sand, concrete and other construction materials themselves.

Mr. SAID CHEKHANOV (Construction Worker): (Through translator) Tajiks in Moscow are slaves in the 21st century. We're treated like animals. The police insult us, and our employers forbid us to even talk at work.

FEIFER: Everyone at the construction site has stories of attacks by masked men in the middle of the night. Karamat Sharibuv(ph), head of a support group for Tajiks, says there was racism under the Soviet Union, but the communist party's propaganda about international friendship kept it in check. The new greed in Russia, he says, is fueling racist attacks.

Mr. KARAMAT SHARIBUV: (Through translator) It's profitable for the Russians to spread an atmosphere of fear. Construction companies are making huge sums of money, and so are the authorities, who are secretly paid to help organize the migrant labor system.

FEIFER: The authorities admit there's a problem but blame many migrant workers for arriving in Russia illegally. The Moscow City administration is proposing to help solve the issue by housing migrant workers in settlements built from metal containers. Ethnic community leaders have denounced the plan as segregation. As Tajiks and other migrants stream into Russia, hatred toward them is growing. Alexander Verkhovsky, who studies racism in Russia, says the number of attacks is rising 15 to 20 percent a year.

Dr. ALEXANDER VERKHOVSKY (Sociologist; Director, SOVA Center for Information and Analysis): People in Kremlin do not understand that it's not about groups of teenagers. There are serious gangs. They may use explosives; they use weapons. They may organize chains of attacks.

FEIFER: Surveys show a majority of Russians say they have negative attitudes toward foreigners. Verkhovsky blames the way Russian history is taught in school, as a series of conquests by Slavs over other ethnic groups. He says radical racists in Russia believe they're continuing that struggle today.

Russia's burgeoning neo-Nazi groups are posting videos of attacks on migrants on the Internet. Last year, a video showed two bound-and-gagged young men kneeling under a Nazi flag in a forest. One is beheaded by a masked captor, shouting glory to Russia. The second is shot in the head. (Soundbite of video) (Soundbite of gunshots)

FEIFER: Back at the building site, construction worker Said Chekhanov says he's desperate to go home but that he doesn't know when he'll be able to afford to.

Mr. CHEKHANOV: (Through translator) I haven't been back once in six years, he says. I last saw my son when he was a year old. When I see other fathers hugging their sons, I start crying. Gregory Feifer, NPR News, Moscow.

#10
State's Kramer Remarks on Democracy, Human Rights in Azerbaijan
Addressing the Commission on Security and Cooperation in Europe
By David J. Kramer, Assistant Secretary for Democracy, Human Rights and Labor Statement before the
Commission on Security and Cooperation in Europe
U.S. Department of State, July 29, 2008

Mr. Chairman, Members of the Commission, thank you for inviting me to speak to you today. The Department and I greatly appreciate the dedication of Helsinki Commission members and their staff to the OSCE, its values, and its institutions. In both my capacities as the Assistant Secretary for the Bureau of Democracy, Human Rights and Labor and as the State Department representative to the Commission, I look forward to continuing to work closely with you on the full range of important issues before the OSCE, including the upcoming Human Dimension Implementation Meeting (HDIM).

You have asked me to speak about democracy and human rights in the run up to Azerbaijan's October presidential election, following my June trip to the South Caucasus. If you will permit me, I will briefly discuss Armenia and Georgia, which I visited as well, before turning to Azerbaijan. The United States works with the OSCE, European Union, and Council of Europe to promote democracy, the rule of law, and respect for human rights in Azerbaijan, Armenia, and Georgia. We will continue to closely consult with our European partners on ways to encourage all three South Caucasus countries, respecting their unique qualities, to take more vigorous steps to improve democratic governance and respect for human rights.

ARMENIA

While in Armenia, I met both with senior government officials and with opposition and civil society activists, including some of the wives of those detained in connection with the post-presidential election demonstration in March. I urged the authorities to release all individuals detained for engaging in opposition activities or for expressing their political views; conduct a credible, independent investigation into the March 1-2 violence that left ten dead; fully restore freedoms of assembly and media; and initiate a constructive dialogue with the opposition and civil society.

Time is of the essence. Societal tensions will only increase if the authorities fail to take swift, dramatic, and substantive measures to heal the serious divisions in the country that the presidential election and its violent aftermath exacerbated. While all elements of society have an obligation to engage in constructive dialogue and to act responsibly, the heaviest responsibility lies with those who actually hold power -- the government.

It is in the interest of the U.S.-Armenia bilateral relationship and in the interest of the Armenian people to see the new government in Yerevan succeed in deepening Armenia's democratic development. On a positive note, I found the Ombudsman to be playing an important role on behalf of democratic reform in the country.

GEORGIA

In Georgia, too, I met with a range of senior government officials as well as opposition and civil society activists, including the Ombudsman, who has been playing a leadership role in support of improved human rights observance and accountability for rights violations. I expressed concern about the lack of checks and balances among the branches of government, and urged the authorities to support robust democratic institutions including a strong, multi-party parliament and a fully independent judiciary.

My message to the government included the need to make a maximum proactive effort to work with the opposition to foster a culture of respect for political pluralism. A policy-making process that includes consultations with experts and stakeholders including the opposition and civil society would be helpful. I expressed concerns about negative trends since last year regarding media freedom, and stressed the need to accelerate prison reform.

It is in Georgia's own interest and also in the interest of our already strong bilateral relationship to see democratic institutions take root in Georgia. I also urged opposition leaders to strengthen their outreach to Georgia's citizens to explain their parties' vision for strengthening democratic and market economic institutions.

AZERBAIJAN

Located between Russia's troubled Northern Caucasus region and Iran, Azerbaijan is situated in a tough and strategically important neighborhood. If it enacts meaningful political reform, its location and abundant resources give it tremendous potential to serve as a model for aspiring democracies.

We consider Azerbaijan a friend of the United States. We have major interests in Azerbaijan in three equally important areas: democratic and economic reform, energy diversification, and security cooperation. Our two countries enjoy strong cooperation on energy diversification, with Azerbaijan emerging as a potentially crucial supplier of diversified natural gas supplies for our European allies. On security, Azerbaijan has made important troop contributions to international efforts in Iraq and Kosovo, and provides an air corridor that is crucial to supporting U.S. and NATO operations in Afghanistan. Our relationship in both these areas has tremendous potential for even further growth.

That said, our strongest relationships world-wide are with democracies that respect the full range of human rights of their citizens in addition to sharing interests with us. Fulfilling the great potential of our relationship with Azerbaijan should be no exception. We seek to bring our cooperation on democratization up to the level of our security and energy collaboration. Azerbaijan's progress on democratic reform is key not only to the strengthening of our bilateral relationship, but also to Azerbaijan's own long-term stability.

In my meetings I focused on democracy and human rights concerns which are essential for the type of relationship I just outlined. I continued the high-level, results-oriented dialogue that my predecessor Barry Lowenkron and President Aliyev initiated in December 2006, following President Aliyev's visit to Washington in April 2006. During that visit, President Aliyev stated, after meeting with President Bush: "We are grateful for the United States' assistance in promotion of the political process, the process of democratization of our society, and are very committed to continuing this cooperation in the future." I traveled to Azerbaijan with President Aliyev's stated commitment in mind.

In addition to my discussions with President Aliyev, Foreign Minister Mammadyarov and other government officials, I also met with a variety of non-governmental figures, including opposition and civil society figures, and independent journalists as well as journalism students.

There is no denying that we have some serious concerns about the state of democracy and the protection of human rights in Azerbaijan, which in some areas has deteriorated. I was able to discuss these concerns in a candid but friendly and constructive manner with senior government officials. I addressed five key areas: political processes, with a focus on the October presidential election; media freedom; protection of human rights; rule of law, including combating corruption; and an empowered and educated civil society. In my meetings with senior officials, we discussed concrete steps that can be taken to accelerate democratic reform in order to build a democratic future for Azerbaijan's citizens. In light of today's focus on the situation in advance of the October election, I will highlight our concerns regarding the election and media freedom, and conclude with a few additional points.

The Presidential Election

As I stressed to senior Azerbaijani officials, the October presidential election presents an important opportunity for the government to demonstrate its commitment to democratic reform and free and fair elections by ensuring that the overall electoral process and election-day itself are observed by credible, independent elections monitors, both international and domestic. A key theme in my discussions was that the pre-election environment is as important, if not more important, to the integrity of the electoral process as is the conduct of election-day itself, including the vote count and regional and national tabulation. The pre-election environment must be conducive to a level playing field - particularly with respect to freedom to organize political parties, election campaigns, or interest groups; freedom of the media, assembly and association; voter registration; appointments to elections commissions; and election grievance processes.

We are concerned that the political space for dissenting voices has been shrinking over the past few years. While some in the government have argued that the opposition's weakness is due to a lack of new faces and ideas, the government bears ultimate responsibility for the climate within which political parties and candidates operate, and within which public debate takes place. In a welcoming environment, new people will have confidence that they can safely engage in politics and the open exchange of ideas. We urge the authorities to establish the conditions that would be conducive to a truly competitive election.

A key factor in determining the credibility of the entire elections process, and for establishing broad confidence in the legitimacy of the outcome of the election, is serious domestic and international election monitoring. It is especially unfortunate that this spring Azerbaijani courts deregistered and annulled Azerbaijan's largest independent domestic election monitoring NGO, the Election Monitoring Center (EMC). I strongly urged my governmental interlocutors to restore the EMC's ability to function in time for meaningful, independent election observation this October. The OSCE's Office of Democratic Institutions and Human Rights (ODIHR) should soon receive an invitation to monitor the election, and will send about 30 long-term observers and 450 short-term observers. Likewise, the Parliamentary Assembly of the Council of Europe (PACE) has announced its intention to send 35-40 members as short-term observers. We also hope that the European Network of Election Monitoring Organizations (ENEMO) can observe the election.

The June 23 joint OSCE/ODIHR-Venice Commission opinion on the amendments made this year to the Azerbaijani election code is a useful tool. We hope to see the authorities implement election-related laws in a way that expands, rather than constricts, the scope of citizens to exercise their rights.

A word about what U.S. election assistance is and is not: As I made clear to my Azerbaijani interlocutors, America's interest in elections worldwide is that they be free and fair. We do not provide assistance in order to direct, influence, or dictate outcomes. Our programmatic assistance is non-partisan and our aim is to help create an elections environment conducive to a competitive, free and fair elections process. We also seek to strengthen democratic political culture and democratic institutions. That is our approach in Azerbaijan as it is in many other countries around the world.

Media Freedom

A significant and growing U.S. concern in recent years is the deterioration of media freedom in Azerbaijan. Administrative and other obstacles to the functioning of independent media make it extremely difficult for the public to have access to a variety of views, including those which may be critical.

Although seven journalists were released in 2007, which we welcomed, three remain in prison for reasons that appear politically motivated. Another journalist is imprisoned despite severe violations of due process during his trial. In addition, the government has yet to seriously investigate numerous cases of violence against journalists. There has been no accountability for the 2005 murder of Elmar Huseynov. I urged senior officials to release the remaining jailed journalists and ensure rigorous and transparent investigations of acts of physical violence against journalists such as Agil Khalil and media monitor Emin Huseynov. Rigorous and transparent investigations would be a powerful sign of the government's commitment to media freedom and rule of law, as would public condemnation by senior Azerbaijani officials of violence against and intimidation and harassment of journalists. The decriminalization of libel would also be a strong signal that the government respects open debate. I was pleased to learn that, since my visit, the Azerbaijani government has decided to allow Agil Khalil to travel outside of Azerbaijan, and he is now in France.

I also made it clear that the unresolved conflict between Azerbaijan and Armenia over Nagorno-Karabakh is not a valid reason for either country to avoid respecting media freedom or engaging in other essential components of democratization. To the contrary, the conflict only heightens the importance of a serious discussion on both sides of how to achieve a peaceful resolution to the conflict.

U.S. assistance to support the development of independent media in Azerbaijan includes funding for the professional development of journalists, advocacy for media rights, Internet access, and capacity building to make media financially self-sustaining.

Some additional human rights concerns for Azerbaijan include:

. **Political Prisoners:** As noted in the Department's human rights report for Azerbaijan, local human rights NGOs maintain that the government continues to hold political prisoners. NGO activists currently estimate that the government holds between 33 and 57 political prisoners. The release earlier this year of two individuals considered by human rights monitors to be political prisoners was positive. We support the Council of Europe's efforts to resolve this problem; institutional reform of the justice system also could help.

. **Abuses by Security Forces:** The constitution and criminal code prohibit torture and provide for penalties of up to 10 years' imprisonment for officials who violate the law. Torture, and the lack of accountability for it, and the excessive use of force against peaceful demonstrators or detainees, remain serious problems.

. **Rule of Law and Corruption:** Unchecked corruption can destroy a government's ability to govern effectively and to retain citizens' confidence. In the midst of Azerbaijan's oil boom, which creates, at least in the near term, highly visible disparities in wealth between a small elite and the bulk of society, it is all the more important for the government to act with determination and complete transparency to root out corruption. Above all, pervasive corruption in the judiciary and law enforcement community must be eradicated. Promoting the rule of law - including an independent judiciary that respects due process - remains among our highest diplomatic objectives for Azerbaijan and neighboring countries in the South Caucasus.

In closing, I appreciate the frank and constructive meetings I had with President Aliyev, Foreign Minister Mammadyarov, and others, and their generosity with their time. The U.S. approaches this dialogue as a friend of Azerbaijan. Friendship means not being indifferent to the circumstances of a friend. At the same time, being able to discuss matters of disagreement in a proper yet candid way is part of the nature of a serious dialogue. And concrete results in terms of improved respect for human rights clearly will serve to deepen our bilateral relationship. I look forward to working with our friends in Azerbaijan - both in and out of government - to help them implement the kinds of democracy and human rights reforms that the citizens of Azerbaijan seek and deserve.

#11

For Israeli Visitors, Moscow Itinerary Stirs the Soul

By. Y. Jacobs

lubavitch.com, July 30, 2008

MOSCOW, RUSSIA - "For the first time in my life, a sense of Jewish pride fills my heart . . ."

A humbled Avi Yavin, CEO of a hi-tech company in Israel, spoke earnestly at the end of a visit to Moscow earlier this week. He'd been touring Russia with a group of 40 fellow Israeli business people. Their itinerary included a visit to the Marina Roscha Jewish Community Center, a popular point of interest for thousands of Israeli visitors who come to Moscow on business and leisure trips annually.

Yavin, like his fellow travelers, was thrown for a loop. He couldn't contain his enthusiasm and ask to get up and speak after he and his friends spent time talking with Rabbi Yakov Fridman who heads Chabad's division for Israelis in Moscow.

It's no secret that secular Israelis –for whatever reasons, and there are many—seem least receptive to the kind of outreach that inspires involvement in Jewish observance.

But that often changes when they travel beyond Israel's borders, to places where they don't expect to find Jewish life. Rabbi Fridman says he sees this time and again.

"Many who would not think of connecting with a rabbi or visiting a shul in Israel, surprise themselves by a visceral Jewish pride that kicks in when they see what's going on here," says Fridman, himself an Israeli who connects easily with the the hundred or so visitors who come through the doors of Chabad's Marina Roscha JCC in Moscow on an average week.

Fridman greets them, shows them around, takes questions, and hosts a lively Shabbos dinner at the Marina Roscha with an eclectic group of 80 Israelis, and often as many as 150, who are spending Friday night in Moscow.

For first time visitors still harboring images of Russia as a forbidding and oppressive place for Jews and Jewish life, their experience with Chabad in Moscow is jaw-dropping: thriving Jewish universities, yeshivas, a Jewish orphanage, day camps and even sleep away camps in Moscow's beautiful suburbs, tell a story of a miraculous transformation that doesn't quite register until people see it first hand.

Under the leadership of Russia's Chief Rabbi Berel Lazar, Jewish life in Moscow is bubbling with activity. Hardly a day goes by without a chuppa, bar mitzvah, or brit mila celebration in Marina Roscha—often there are several celebrations going on simultaneously. To Russian Jews the change is still sometimes unbelievable; to visitors, it is dazzling.

Avi, who served for many years in the IDF, admitted ruefully that he'd always "looked with disdain at Orthodox Jews, and my friends and I have always mocked anything related to religious observance."

"What I have seen here today, the selfless devotion and holy work that you are doing fills me with Jewish pride for the very first time in my life," he said in a choked voice.

Yavin only saw a little. Moscow's kashruth department is hard at work certifying new products for kosher consumers who are finding a growing selection of kosher foods in Moscow's local supermarkets. Hundreds of the city's needy are fed regularly in the new Chesed soup kitchen, and meals are delivered to the homebound Moscow-wide.

A Jewish Museum is currently under construction on a massive lot adjacent to a stunning Chabad school where 400 students study Torah—the eighth one now of Chabad's Or Avner school network in Moscow where some 2000 children are enrolled.

"I only hope," Yavin told Rabbi Fridman, "that you find a way to do in Israel what you have done here – to achieve the unity and sense of brotherhood that I experienced here today."

#12

Russian Jewish Group Warns Ukrainian Leadership Against Praising Collaborators

By Dmitry Babich

Russia Profile, July 31, 2008

As mutual accusations rooted in divergent perceptions of historical issues continue flying back and forth between Russia and Ukraine, the Federation of Jewish Communities of Russia calls for restraint and realism in assessing the events of the 1930s and 1940s and in glorifying controversial historical figures.

The "informational war" between Russia and Ukraine over certain aspects of the two countries' histories acquired a new and vocal participant. The Federation of Jewish Communities of Russia (Russian abbreviation FEOR) published a statement denouncing the glorification in modern Ukraine of several Ukrainian nationalist fighters who, at some point in World War II, collaborated with German Nazis.

"The modern leaders of Ukraine, on the one hand, have a positive attitude toward the activity of the Jewish community, rendering it all kinds of help," Borukh Gorin, the spokesman for FEOR, told the Interfax news agency in an interview. "On the other hand, they allow a hall of fame to be opened that includes a portrait of Roman Shukhevich."

Roman Shukhevich, 1907-1950, was one of the leaders of the Ukrainian Insurgent Army (UPA), a 150 thousand-strong force that in 1943-1944 fought both against the German and the Soviet armies for an independent Ukraine. The darkest pages of Shukhevich's biography, however, concern his service in the

German-trained battalion Nachtigal and in other pro-Nazi formations, which not only fought the Soviet army, but also participated in the extermination of the Jewish population in Ukraine from 1941 to 1942. UPA's ethnic cleansing of the Polish population in several areas of western Ukraine, as well as subsequent killings of Soviet officials on the same territory, are also reasons for Shukhevich's being viewed as a controversial figure in Poland and as an outright villain in Russia.

Shukhevich's portrait was hung in the gallery featuring the images of "famous Ukrainians," unveiled by Ukrainian president Viktor Yushchenko and Constantinople Patriarch Bartholomew as part of the celebration of the 1020th anniversary of the baptism of Kievan Rus' - the proto-state from which modern Russia, Belarus and Ukraine emerged. According to a legend, in 988, Kievan prince Vladimir made his choice in favor of Orthodox Christianity, refusing the offers of Catholicism and Islam. Eastern Slavs' subsequent colonization of enormous territories in modern Russia and Central Asia made Orthodoxy the dominant confession on one-sixth of the Earth's surface.

However, instead of uniting Russia and Ukraine, this year's celebrations led to numerous rifts and misunderstandings, since Ukraine has three rivaling Orthodox churches and the Ukrainian authorities are trying to unite them with as small a link to the Russian Orthodox Church as possible. This is part of Ukrainian President Viktor Yushchenko's policy of trying to distance his country from Russia in all aspects, including religion and history, implemented since his coming to power in 2005. The conflicts are extensively covered and even exacerbated by the media, both in Russia and in Ukraine. And, certainly, the problem of contemporary Ukrainian authorities' tolerant attitude toward their compatriots who collaborated with the Nazis features high on the Russian media's agenda.

"The Ukrainian authorities need to understand that fighters for Ukrainian independence could be villains too," Gorin said in his statement carried by Interfax. "The glorification of the fighters of the Organization of Ukrainian Nationalists and Ukrainian Insurgent Army without sufficient analysis of their ties to the Nazis speaks about the lack of a balanced view of history."

Gorin's statements sound mild in comparison with the pronouncements of some Russian politicians and journalists, who depict modern Ukraine as a country ruled by forces hostile to Russia. "When I watch Russian television here in Ukraine, I sometimes feel like pinching myself to make sure that I am not dreaming. Where around here do they see all the horrible things that they report? Ukraine is not ruled by fascists or their sympathizers, this is simply not true," said Yevgeny Kiselyov, a former anchor on Russian NTV television who currently works in Ukraine.

Russian experts and journalists, in turn, accuse Ukrainian television and media in general of overexploiting the theme of mass starvation in Ukraine caused by Stalin's collectivization campaign in 1932-1933. In Ukraine, the famine, which is reported to have taken up to seven million lives, has officially been deemed as genocide, and Yushchenko is pushing for legislation that would make denying this genocide (called holodomor in Ukrainian) a crime.

"No one denies the fact that what happened in Ukraine in 1932-1933 was a crime. But holodomor was a policy of Stalin's leadership toward the whole population of the Soviet Union, not just Ukrainians," countered Sergei Lisovsky, the chairman of the committee on mass media at Russia's Federation Council, the upper chamber of the Russian parliament.

This view is shared by many people in Ukraine. "What happened in 1932-1933 was not genocide, but what I would call sociocide," said Andrei Yermolayev, the head of the Kiev-based Sophya research center. "A whole class of the Soviet Union's population had to be wiped out, namely the independent peasantry."

The historic argument is further complicated by the fact that Ukrainian nationalists who collaborated with the Nazis justified their choice of ally by Stalin's holodomor of 1932-1933. Even the infamous Ivan Demyanyuk, a butcher of the Treblinka concentration camp extradited to Israel for trial from the United States in the early 1990s, tried to explain his actions by the sufferings he had to go through in the early thirties. "People had to eat mice and insects at the time, and I was among them," he said during his trial in 1993.

Ukrainian politicians are rarely given airtime in the Russian media, but even when they are, their answers are deemed unsatisfactory. In a rare interview to the Vremya Novostei daily in March 2008, president Yushchenko said: "Neither the Organization of Ukrainian Nationalists nor the Ukrainian Insurgent Army (UPA) was included in the number of criminal organizations at the Nurnberg trial... The aim of the UPA was to meet the Soviet army in Kiev and to declare an independent Ukraine... The executions of Poles and Jews can only be presumed to have happened. Inside UPA there were Russian groups and Kazakh groups. Seventy percent of its doctors were Jews."

Russian historians treat these revelations of the Ukrainian president with a grain of salt. "There is no point in denying Shukhevich's crimes or the crimes of the UPA in general. It is like denying Stalin's crimes," said Vyacheslav Igrunov, the head of the Moscow-based Institute for Humanitarian and Political Research. "Both tasks are equally thankless."

#13

Beware The Russian Bear Market

by Brian Whitmore

RFE/RL, July 31, 2008

A Western oil executive flees Russia as his company faces multiple investigations and official harassment. Prime Minister Vladimir Putin issues a thinly veiled threat against the CEO of a major coal and steel company.

Just two more examples of the tried-and-true Kremlin method of taking control of major corporations through intimidation, analysts say. But this time there's a twist: the hardball tactics are coming with a cost, with Russian stocks tumbling, nervous investors fleeing, and fears of an impending economic downturn rising.

"When people come and ask me, should I invest in Russia, what I say is: How quickly would you be able to sell whatever it is you invest in? Because if you cannot sell it quickly, you could end up losing it. I would not advise anybody to become a direct investor in Russia," Bill Browder, head of Hermitage Capital Management, told RFE/RL's Russian Service in a recent interview.

Once one of Russia's biggest portfolio investors, Browder was barred from the country in 2005 after repeatedly criticizing the corporate governance environment. He later accused corporate raiders of taking control of three of his companies, and then embezzling \$230 million, with the assistance of the Russian state. He says the investment climate today is the worst Russia has seen since the early 1990s.

Corporate Raiders

Browder says the ongoing conflict over control of the Russian-British oil joint venture TNK-BP is reminiscent of his own battles with Moscow's political and corporate elite.

On July 24, the TNK-BP joint venture's CEO, Robert Dudley, slipped out of Russia and went into hiding after authorities refused to renew his visa. The company, meanwhile, is under pressure from numerous investigations by Russian law enforcement.

"Somebody is trying to raid his company, whether it is his business partners or whether it's the state," Browder said. "The fact that there has been something like 14 different law-enforcement investigations into TNK-BP and Dudley over the last few months, suggests that somebody is behind it. I can't say who is raiding, but I can definitely say you can call it raiding."

It is widely believed by Russia-watchers that BP's Russian partners -- a group of companies controlled by Kremlin-friendly oligarchs Mikhail Fridman, German Khan, Viktor Vekselberg, and Len Blavatnik -- are trying to force the British major out. The end goal is for it to be taken over by either the state-controlled oil giant Rosneft or the natural-gas monopoly Gazprom.

The Russian partners accused BP of treating the venture like a subsidiary and ignoring their interests.

BP wants to expand the venture and raise production, while its Russian partners are more interested in running the operation for cash. The two sides have been sparring over issues ranging from the number of foreign employees allowed to work for the joint venture in Russia to the disbursement of dividends.

Most analysts see these smaller battles as part of a larger struggle for control of the company.

Market Jitters

The same day that Dudley fled Russia, Prime Minister Vladimir Putin rattled Russia's markets with a broadside against one of the country's leading industrial giants.

Speaking at an economic forum in Nizhny Novgorod, Putin went to great lengths to call out Igor Zyuzin, owner of the coal and steel company Mechel, accusing him of price-fixing.

"There is a respectable company called Mechel. We invited the owner and chief executive of that company, Igor Vladimirovich Zyuzin, to today's gathering, but he suddenly got sick," Putin said. "Well, in the first quarter this year the company exported raw materials at half the domestic market price, that is, the world market price. And the margin is where? In the form of taxes to the state? Illness of course is illness. I think that Igor Vladimirovich needs to get well soon. Otherwise we'll have to send him a doctor to clear out all these problems."

The bureaucracy wasted little time springing into action. The Antimonopoly Service had already started formal antitrust case against Mechel and the Investigative Committee of the Prosecutor-General's Office said on July 28 that it was considering bringing additional criminal charges. Two days later, the Antimonopoly Service announced antitrust probes into two more coal producers, the Evraz Group and Raspadskaya.

Markets also reacted quickly to Putin's verbal assault on Mechel. The company's stock fell sharply, shedding 49 percent of its value by the close of business on July 29.

Russia's two main stock markets, the ruble-denominated MICEX and the dollar-denominated RTS, also initially fell as nervous investors fled.

"Why did this have such resonance? Because in the first place, the market as a whole is not in the best shape. And such harsh remarks tend to cause a strong reaction on nervous markets," Sergei Danskoi, an analyst with Troika Dialog, said the markets, told RFE/RL's Russian Service.

After seven straight days of losses, both the MICEX and the RTS indices recovered some ground by July 29, posting modest gains.

Nevertheless, Russian shares have been falling steadily since May, when they hit records high. The RTS is down 15 percent on the year and 22 percent from their May highs -- putting the index in "bear market" territory.

Yukos Redux?

Some analysts say Putin's broadside against Mechel is a continuation of a campaign by the so-called "siloviki" clan -- the KGB veterans who make up Putin's inner circle -- to seize control of the commanding heights of Russia's economy.

Some pointed out parallels with the case of Mikhail Khodorkovsky, the jailed former CEO of the Yukos oil company who was arrested in 2003. After Khodorkovsky's arrest and imprisonment, Yukos's assets were taken over by state-controlled Rosneft.

Speaking to RFE/RL's Russian Service recently, opposition politician Boris Nemtsov said that while Khodorkovsky angered the Kremlin by financing the political opposition, the Mechel case appears to be all about business.

"This doesn't resemble the Khodorkovsky case. Zyuzin isn't interested in politics, he has never engaged in politics, and isn't Putin's political competitor," Nemtsov said. "But he is Putin's business competitor. Putin is a businessman. He is the boss of a large Chekist business empire."

Meanwhile, President Dmitry Medvedev, who has said he wants to turn Moscow into a major financial center, tried to calm jittery markets by claiming that Russia remains a safe haven for investors amid the current global turmoil. At a televised meeting with government officials on July 31, Medvedev went even further, saying, "our law-enforcement and state institutions should stop terrifying business."

Browder, for one, said he isn't buying it:

"BP thought that they owned and controlled their company, and all of the sudden they discover that they don't control it. I would guess the next step is that they find out that they don't own it," Browder told RFE/RL's Russian Service. "This says something very profound about property rights and it says something very profound about the rule of law -- which is that property rights and the rule of law don't exist in Russia."

RFE/RL's Russian Service contributed to this report.

#14

Racism and Xenophobia: The Role of Governments in Addressing Continuing Challenges

By Mischa Thompson, PhD and Alex Johnson

CSCE.gov, July 17, 2008

On May 29-30, 2008, the OSCE Office for Democratic Institutions and Human Rights (ODIHR) held the Supplementary Human Dimension Meeting (SHDM), entitled "The Role of National Institutions against Discrimination in Combating Racism and Xenophobia with Special Focus on Persons belonging to National Minorities and Migrants". Prior to the meeting, a "roundtable for civil society" was organized by ODIHR to enable civil society representatives to prepare recommendations to be presented during the Opening Session of the SHDM.

The purpose of the Supplementary Meeting was to focus on "National Institutions Against Discrimination" (NIADs) that OSCE countries have developed to combat racism and discrimination. The majority of OSCE countries have in place national human rights or ombudsman institutions to deal with human rights violations in general, however, their mandates and capacity to deal more specifically with manifestations of racism and xenophobia vary, with some having little to no focus on this area. The SHDM examined the role of national institutions in responding to and combating racism and xenophobia in particular, where such cases involve persons belonging to national minorities and migrants.

Official delegations from the OSCE countries took part in the conference, including participation from the U.S. Congress. Representative Alcee L. Hastings, Chairman of the U.S. Commission on Security and Cooperation in Europe (CSCE), participated as head of the Official OSCE Parliamentary Assembly delegation in his role as President Emeritus of the Parliamentary Assembly (PA). The U.S. Delegation included U.S. Ambassador to the OSCE Julie Finley, as well as Naomi Churchill Earp, Chair of the Equal Employment Opportunity Commission (EEOC).

The two-day Conference featured three panels focused on the role and mandate of NIADs in combating racism and xenophobia, overcoming challenges, and good practices. Additionally, there was a side event hosted by the UN High Commissioner for Refugees (UNHCR) and ODIHR entitled, "Is the right to asylum undermined by racism and xenophobia?" The conference was held in Austria, where reports from the European Union Fundamental Rights Agency (EUFRA) and European Network Against Racism (ENAR) had previously cited numerous cases of racism and discrimination impacting Roma, Black, Muslim, Jewish, and migrant communities in education, employment, housing, criminal justice, and other areas.

Chairman Hastings, representing the OSCE PA, delivered remarks at the Opening Session of the meeting following presentations from the outgoing Director of ODIHR, Ambassador Christian Strohal, and the incoming Director of EUFRA, Morten Kjaerum. Chairman Hastings' remarks focused on the importance of the U.S. story in developing remedies to historic injustices, lessons learned, and remaining challenges, including those faced by migrant populations. He noted that, "given the multiple effects of racism and discrimination, there is no single government office that can fully address the problem [and that] the decades of U.S. government institutions fighting discrimination, recruiting from diverse communities, providing education and training opportunities for minorities coupled with efforts from the civil society and private sector were critical to [gains minorities have made in the U.S.]." In addition to noting the need for minority input in the creation and implementation of any strategies, he also stressed the need for action. "I've been meeting on efforts to stop racism for 30 years. It's time for something to be done," he said.

The need for action also was underscored by a number of attendees of the meeting who cited numerous problems with the political independence of, funding, structure, knowledge of, and mandate of NIADs, which impacted their abilities to adequately address problems faced by the communities they were designed to assist. Calls for NIADs to be independent were raised by numerous civil society members, as they felt links to government prevented prompt and appropriate responses to acts of discrimination. Additionally, this was said to impact their structure, as members of the affected communities cited that they were not appointed to the boards, employed in the organizations, nor consulted in the plans and initiatives of the institutions. One civil society participant cited as evidence of this, that a number of the panelists at the SHDM were not "Muslim, Black, or some other visible minority," despite playing leading roles in NIADs. Others noted cronyism in the appointments, leading to questions of whether the leaders of a number of the organizations possessed the 'cultural competency' needed to adequately address problems of racism and xenophobia.

Concerns about the mandates were also raised, as they were often focused on legal remedies, data collection, and assisting victims, but may not have included or were unsuccessful with outreach, education, and/or empowerment tools, e.g., informing affected communities of anti-discrimination laws and initiatives, providing technical assistance to minority/migrant organizations to represent themselves. For many, these problems indicated a lack of actual political will to solve the problems, which was then also reflected in several NIADs reporting a lack of government funding. These concerns were noted as reasons civil society was in some countries assuming and/or being asked to assume government responsibilities for addressing racism and xenophobia.

Addressing some of these concerns, and underscoring a number of Chairman Hastings' observations, U.S. delegate Naomi Earp of the EEOC provided remarks on the U.S. approach to combating discrimination during the Opening Session and Session III of the Meeting. Noting that, "Sadly racism is alive and well," she detailed the numerous federal, state, and local civil rights programs and institutions in the U.S. created to implement racial equality. She cited politics and funding as primary challenges and noted the need for "a viable consensus" among government actors, civil society, the private sector, and other affected parties to prioritize and formulate successful strategies. "Nations must understand that institutionalizing equal opportunity, while laudable, has financial consequences," she said, including details of the importance of planned and adequate funding. Moving beyond a paradigm of addressing violent forms of discrimination, she also noted the need to combat systematic or institutionalized discrimination, as well as subtle and blatant forms of discrimination that impact hiring, promotions, and other aspects of the workplace.

A number of other participating States, such as France and Belgium noted how their NIADs were organized and what they did. Others reiterated the growing problems of racism and xenophobia in their societies and cited the need for solutions. Russian Ombudsman Vladimir Lukin remarked, "extremist ideas and xenophobic attitudes are nowadays commonly concealed as formally legitimate disagreement to a state's migration policy," and that solutions should also focus on tolerance education, as "responding to already committed crimes makes it impossible to start their effective prevention."

The Meeting ended with OSCE Chair-in-Office Personal Representative on Combating Racism, Xenophobia, and Discrimination against Christians and Members of Other Religions, Anastasia Crickley calling for an increased focus on implementing solutions. She noted that the remarks of two Americans, Chairman Alcee L. Hastings and Naomi Earp, illuminated two key concepts participants should take away from the SHDM. First,

she observed that Chairman Hastings demonstrated why, “national institutions and official agencies should reflect the diversity of the communities they represent,” and second that, Ms. Earp demonstrated that participants must “measure issues so that they can address them.” Ms. Crickley also observed that a number of forms of discrimination were inadequately engaged throughout the SHDM proceedings, particularly discrimination faced by Roma and Sinti communities.

Expected outcomes of the meeting included the creation and/or strengthening of NIADs by OSCE participating States, increased cooperation and partnerships of NIADs with civil society, and assistance for burgeoning NIADs. Additionally, the development and implementation of national action plans with the consultation of civil society, improved data collection, research, and reporting, and maintaining a focus on combating racism and xenophobia in the face of attempts to refocus the conversation solely on integration and immigration were highlighted. Many questions of what the follow-up to this meeting could be remained, including possible trainings and technical assistance to strengthen NIADs, outreach and empowerment initiatives for affected communities, the role of the private sector, and as well as the need for participating States themselves to better understand racism, xenophobia, and discrimination and how best to adequately, design, fund, implement, and sustain successful strategies.