

WASHINGTON, D.C. February 6, 2009

TO: NCSJ Leadership and Interested Parties

**FROM: Richard Stone, NCSJ Chairman;
Alexander Smukler, NCSJ President;
Mark B. Levin, NCSJ Executive Director**



In Brief: Foreign Policy and NCSJ's Focus

Dear Friend,

There has been much discussion in Washington and Europe about the meaning of the recent anti-government demonstrations in Russia, which are in response to the ever growing financial crisis. Speculation abounds regarding the implications for Prime Minister Vladimir Putin and President Dmitry Medvedev. While most experts believe a regime change is unlikely, they also believe that the government needs to be more responsive to the general population's needs. In this week's update, we have included several stories on this most troubling situation.

The governments of the former Soviet Union, like many other governments around the world, are racing to get a handle on the Obama Administration's foreign policy. Some of the FSU governments have expressed concern that a Russia-focused agenda would lessen the importance of the other countries in the region. It is too early to know where the Administration is headed; many senior positions need to be filled, and other international issues continue to receive more attention. However, there will be several international conferences in the coming months that bring together the Americans and Russians. These meetings may provide the first signals on how the Obama Administration will approach the region.

The Kyrgyz government announced that they will not renew the agreement to allow the U.S. to use its air base in Manas, the last military base in Central Asia to which the U.S. has access. U.S. officials say negotiations with the Kyrgyz Republic are ongoing, and that one or two other countries may allow the U.S. to build a new air base if negotiations prove unsuccessful. The Kyrgyz say their refusal is simply about not getting enough money from the American government. It is interesting to note that their announcement came after Russia pledged billions of dollars in aid. Also, Russia has been unhappy with the ongoing American military presence in an area that they consider within their sphere of influence. Please see the stories included in the update about this situation.

Finally, we continue to closely monitor the economic situation in the region, to ensure that the Jewish populations do not become a primary target for ultra-nationalists and neo-Nazis, who still focus their hate primarily on ethnic and religious minorities from Central Asia and the Caucuses. Jews may not be the primary targets, but there are many attacks against Jewish individuals and institutions. NCSJ reminds the FSU governments at every opportunity that they must do more to protect these groups from further hate crime attacks.

Sincerely,

A handwritten signature in black ink that reads "Mark B. Levin".

Mark B. Levin
Executive Director



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

NCSJ WEEKLY NEWS BRIEF
Washington, D.C. February 6, 2009

-----INDEX OF ARTICLES-----

1. *Anti-Semitic graffiti cleaned from Kiev buildings; Ukrainian Shoah database released; Developers destroy Sholom Aleichem house; New Ukrainian effort to build Jewish knowledge; Russia: Talks Please Cuba's President; Explosive device found at Ukrainian synagogue; Ukrainian group seeks terror probe; Emergency grant saves ORT's FSU schools; New Russian patriarch reaches out to Jews; Scientist Sheinkman, B'nai B'rith Kiev founder, dies; Ukrainian Jews honor journalist; Ukrainian religious land-use law praised; Crisis exacerbates negative attitude to immigrants in Russia - rights activists; Russian Jews shocked by Pope's lifting excommunication of Holocaust denying clergymen*
Briefs, February 1-5, 2009
2. *Azeri leader shrugs off rights criticism*
By Guy Faulconbridge
Reuters, January 30, 2009
3. *Obama's opportunity?*
By Andrew C. Kuchins and Samuel Charap
International Herald Tribune, January 30, 2009
4. *Thousands Rally Over Economy*
By Alexandra Odynova
Moscow Times, February 2, 2009
5. *As Economy Sinks, Russians Protest*
By Michael Schwartz and Clifford J. Levy
New York Times, February 1, 2009
6. *A Threat to Putin's Big Plans*
By Clifford J. Levy
New York Times, February 1, 2009
7. *Crisis-hit Latvia faces government shake-up*
Reuters, January 31, 2009
8. *Georgian PM resigns due to poor health*
Reuters, January 30, 2009
9. *Israel and Azerbaijan: Baku's Balancing Act*
Caucasian Review of International Affairs, February 2, 2009
10. *Hoping for the better*
By Kanat Saudabayev
Washington Times, February 3, 2009

11. *Testing the Public's Appetite for Protests*
By Nikolai Petrov
Moscow Times, February 3, 2009
 12. *Russia and U.S. pledge closer cooperation under Obama*
Reuters, February 3, 2009
 13. *Russia Faces Tough Fight on Ruble*
By Joanna Slater in New York, Gregory L. White in Moscow
Wall Street Journal, February 4, 2009
 14. *Trade Spats, Visas to Top EU Talks*
By Nikolaus von Twickel
Moscow Times, February 4, 2009
 15. *A Russia united by anti-westernism*
By John Thornhill
Financial Times, February 4, 2009
 16. *President Obama seeks Russia deal to slash nuclear weapons*
By Tim Reid
Times (UK), February 4, 2009
 17. *Kyrgyzstan moves to shut key US base*
AFP, February 4, 2009
 18. *Afghan Supplies, Russian Demands*
By George Friedman
New York Times, February 4, 2009
 19. *Russia, Allies Offer to Assist U.S. in Afghanistan*
By Lucian Kim and Ken Fireman
Bloomberg, February 4, 2009
 20. *Russia tightens grip on allies*
Reuters, February 4, 2009
 21. *Dispute Mounts Over Key U.S. Base in Kyrgyzstan*
By Ellen Barry and Michael Schwartz
New York Times, February 5, 2009
 22. *Russian Nationalist Convicted of Extremism for Denigrating Jews as Well as Chechens*
By Paul Goble
Window on Eurasia, February 5, 2009
 23. *Medvedev warns over unrest amid economic crisis*
AFP, February 6, 2009
 24. *Russia Offers Kind Words, But Its Fist Is Clenched*
By Ellen Barry, Elisabeth Bumiller
New York Times, February 6, 2009
 25. *Air base flap reflects tension over US presence in Central Asia*
By Gordon Lubold and Howard LaFranchi
Christian Science Monitor, February 6, 2009
-

#1a
Anti-Semitic graffiti cleaned from Kiev buildings
JTA, February 1, 2009

Ukrainian state authorities ordered anti-Semitic graffiti to be cleaned off Kiev buildings, walls and fences.

The Kiev state administration removed anti-Semitic graffiti and drawings from some capital buildings, fences and pedestrian underpasses after the Jewish Forum of Ukraine recently sent a petition requesting such action to Kiev Mayor Leonid Chernovetzky.

According to Jewish organization reports, anti-Semitic graffiti and drawings were quickly removed by the Kiev city administration after the Jewish Forum provided a list of the locations of the drawings and graffiti.

The Ukrainian Jewish Committee has been informed that anti-Semitic books and other literature were removed from many Kiev markets and kiosks, and recently sent letters thanking the law enforcement agencies for their support.

Meanwhile, the Ukrainian Jewish Committee and Jewish Forum of Ukraine are planning to petition Ukrainian and Kiev authorities to require the Biblion bookstands to withdraw from circulation or stop selling overtly anti-Semitic books and newspaper published by the Interregional Academy of Personnel Management, which is known for its anti-Semitic views and propaganda.

#1b
Ukrainian Shoah database released
JTA, February 2, 2009

A database of Ukrainian Holocaust victims and survivors was turned over to a Yad Vashem representative.

The database, with information collected during a gathering of survivors in Ukraine's Charkassy and Chernigovskaya regions, includes the testimonies of survivors or relatives of the victims, a list of Holocaust victims including more than 3,000 names identified and published for the first time, places of execution and photos.

The information will be used for a joint project between the Jewish Council of Ukraine and Yad Vashem Holocaust Martyrs' and Heroes' Remembrance Authority, called the Shoah Victims' Names Recovery Project.

"For the first time on the territory of one of the former Soviet republics, we received data from every possible source concerning the history of Jews during the Holocaust in two of Ukraine's regions," said Boris Maftsir, a manager of the project in the former Soviet Union.

The handover of the database's disks took place during a meeting Jan. 30 to discuss the project, whose participants include Jewish leaders and survivors, diplomats and righteous people, representatives of Jewish international and Israeli organizations, researchers and students, and journalists.

The Jewish Council of Ukraine and Yad Vashem initiated and co-organized the event.

#1c
Developers destroy Sholom Aleichem house
JTA, February 2, 2009

One of Sholom Aleichem's homes in Kiev was demolished on the eve of the anniversary of his birth.

A building in Kiev where the famed Yiddish writer, born Solomon Rabinovich on Feb. 18, 1859, lived in 1905 was destroyed over the weekend by the private company KievZhytloInvestManagement, despite instructions by city authorities to the company to suspend the demolition in order to clarify the case.

The site is being prepared for a new hotel for the Euro-2012 soccer tournament, according to reports.

"This is a disgraceful act to destroy that building," said Ilya Levitas, a president of the Jewish Council of Ukraine, who addressed a petition to the deputy prime minister of Ukraine and Kiev authorities on Jan. 21, requesting that the city order a stop or suspension of the demolition.

"Activities of KievZhytloInvestManagement Company, that is an owner of the building, shocked the public this past weekend," Irina Zalyuzhenkova, an inspector for the Association for the Protection of Monuments of History and Culture, told JTA. "In spite of city authority instructions and a visit to the site, the company destroyed the building. They could find no other site.

"Now we can see that money is more important than the memory of a famous Yiddish writer," added Zalyuzhenkova, a native Ukrainian who earlier had sent a petition to city authorities.

Mikhail Kalnitzky, a historian of Kiev, said Sholom Aleichem lived at 35 Bolshaya Vasylkivska St., apartment 1 in Kiev.

"The local authorities' fault is that they didn't put the building on the register list of state or municipal monuments of architecture," he said. "That is why the private company is destroying the building."

Evgeny Chervonenko, a first deputy of the Kiev mayor and a prominent Jewish leader, told JTA that the Kiev authority will establish a committee to clarify the case properly.

#1d

New Ukrainian effort to build Jewish knowledge

JTA, February 2, 2009

A new educational initiative in Ukraine will try to bolster students' knowledge of Jewish heritage.

The Jewish Forum of Ukraine, on the initiative of and with financial support from the UJA-Federation of New York, Genesis Philanthropy group and CAF Russia, launched a coordinated philanthropic effort to spread or bolster knowledge of Jewish history, tradition and culture among the Jewish and non-Jewish students in schools in Kiev and the region.

The program, Hevruta, was possible due to the Jewish Forum of Ukraine and its Grassroots 2009 program to provide target grants for Jewish educational programs. It will include lectures and seminars on Jewish history, culture and tradition, excursions and trips.

The organizers are planning to arrange a Jewish educational summer camp in the Crimea peninsula.

"The main aim of the program is to support the best local initiatives for the rebirth of Jewish identity and preservation of Jewish cultural heritage," Arkady Monastyrsky, president of the Jewish Forum of Ukraine, told JTA. "The program is aimed primarily at developing the Jewish identity of young Jews, but we also engage non-Jewish students to learn Jewish history, tradition and culture."

#1e

Russia: Talks Please Cuba's President

Reuters, February 3, 2009

President Raul Castro of Cuba said Monday that the results of his visit to Moscow were “very positive.” It was the first visit to the Russian capital by a Cuban leader since the cold war. Mr. Castro, who won pledges of \$354 million in aid, said, “I think we are leaving very satisfied.” He held talks with Prime Minister Vladimir V. Putin during his eight-day trip to help revive ties that weakened after the collapse of the Soviet Union in 1991.

#1f

Explosive device found at Ukrainian synagogue

JTA, February 3, 2009

An armed explosive device was found in the ventilator of a Ukrainian synagogue.

One of the leaders of Lutzk Progressive Jewish Congregation found the homemade bomb in the synagogue's basement Monday morning.

“I found a bottle of six liters capacity filled with white powder which was connected through wires with clockwork and a battery,” Sergey Shvardovsky, executive director of the synagogue, told JTA. “When I mentioned that the clockwork was engaged, I evacuated the staff and rang up the police right away.”

Shvardovsky told JTA that law enforcement agencies arrived without delay and blocked off nearby streets for about two hours. The explosive was successfully neutralized.

Roman Krohmal, head of the local police, told JTA that a group of experts and criminalists are examining the contents of the bottle.

Law enforcement agencies are investigating the case but no leads have been reported.

According to local Jewish leaders, the local Jewish community “is outraged and alarmed” and people are afraid to visit synagogue.

“Anti-Semitic manifestations such as graffiti, slogans on the walls and hanging Magen Davids have been occurring in Lutzk almost every three months for the past year, but this is first time we have found an explosive device in the synagogue building,” Shvardovsky said. “Anti-Semitism is not on the rise in the town, but meanwhile we demand a serious investigation.”

“We are waiting for the results of the examination to determine if it was an explosive device or some kind of sham,” said Gennady Fraerman, a leader of the Rovno Jewish community and Hesed center, which also has a branch in Lutzk. “There were no such kind of incidents, anti-Semitic manifestations or any threats in the region recently.”

About 300 Jews are affiliated with the Reform synagogue in Lutzk, according to Shvardovsky, in a city of about 205,000 in northwest Ukraine.

#1g

Ukrainian group seeks terror probe

JTA, February 5, 2009

A Ukrainian Jewish group wants the government to investigate an explosive device placed inside a synagogue as a terrorist act.

In a statement Wednesday, the Ukrainian Jewish Committee said it considered the incident at the Lutzk Progressive Jewish Congregation “nothing else but a terrorist act directed against all citizens of Ukraine.” The statement “expresses deep anxiety and concern regarding an attempt to blow up the Lutzk synagogue.”

A bottle of white powder hooked up to a timing device was discovered Monday in the ventilation system in the synagogue basement.

According to law enforcement agencies, the explosive device was real, though tests are being done to determine if the explosive could have detonated. There have been no arrests in the case.

"We consider that international terrorism has declared a war against Ukraine," the statement said. "And the recent case is a logical result of inactivity of the Ukrainian state in a struggle against anti-Semitism -- which is on the rise -- and a fuzzy anti-terrorist position on the international scene. If Ukraine continues to remain aloof, then next time could be tragic."

The committee called on Ukraine's president and prime minister to take control of the probe, and leaders of law enforcement agencies to make every effort to determine guilt in the attempted attack.

Gen. Viktor Shvydkoi, chief of police of the Volyn region, told JTA that law enforcement agencies have not yet opened a criminal case and that the case materials were transferred by the police to the Ukrainian Secret Service department, or SBU.

According to a preliminary investigation and the findings of a commission of experts, Shvydkoi said, "the explosive did not explode due to a technical reason."

The bomb "was probably a specific threat against the Jewish community, but we have no rise of anti-Semitism or xenophobia in the region and the situation is quiet," he said. "Police will continue to investigate the case properly to find the guilty party."

The SBU in Kiev told JTA that it had no information on the case, while a Lutsk SBU official told JTA that a special committee of inquiry has been established and experts are examining the contents of the bottle. The official told JTA that the bottle placed in the synagogue contained an explosive mixture of ammonium nitrate and powdered aluminum.

Some other Jewish leaders are more cautious and are waiting for the final results of the investigation.

Josef Zissels, the longtime leader of the Va'ad in Ukraine, and Arkady Monastyrsky, the leader of the Jewish Forum of Ukraine, said there have been no systemic anti-Semitic manifestations in the region and the incident was likely provoked by political forces or individuals.

About 300 Jews are affiliated with the Reform synagogue in Lutsk in a city of about 205,000 in northwest Ukraine.

#1h Emergency grant saves ORT's FSU schools JTA, February 4, 2009

An emergency grant from a Christian-Jewish organization and the government of Israel offer hope for the future of World ORT's schools in the former Soviet Union.

The 16 ORT schools face being absorbed into the public education system, and losing their Jewish character, following the Jewish Agency for Israel's decision to stop funding the program which provides for Jewish studies, teachers wages and security. The program also funded hot meals and school buses.

The International Fellowship of Christians and Jews and the Israeli Ministry of Education made the \$600,000 pledge in response to a frantic search for funding, led by the ORT representative in Russia, Avi Ganon. He tried to find ways to keep the schools Jewish, despite cuts in funding by the Ministry of Education and, more recently, the Jewish Agency.

However the long term future of ORT's network of schools in the former Soviet Union is not yet secured.

"The Fellowship feels privileged to be able to help; but this is only a band-aid and there's no solution yet to the fundamental issue," said Rabbi Yechiel Eckstein, founder and president of the IFCJ. "The fundamental issue is that there is no Jewish organization that is willing or capable of assuming responsibility for the welfare of Jewish children and their future in the Former Soviet Union."

Ganon welcomed the pledge, saying that there had been a collective "huge sigh of relief" at news of the IFCJ's willingness to help. "They are the 'Mashiach' in this case," he said. "Without their initiative this deal would not have come about."

World ORT Director General Robert Singer expressed gratitude to the IFCJ and its supporters, mostly North American Christians, for their offer of help.

"The Jewish education system which has been built up since the collapse of the Soviet Union was in real danger -- 20 years of hard work, the realization of a great vision, may have been lost forever," Singer said. "That Christians in North America should help Jews in the Former Soviet Union is a beacon of hope for the future, helping to heal the wounds of the past and providing a welcome contrast to the resurgence of anti-Jewish feelings in many parts of the world."

#1i

New Russian patriarch reaches out to Jews JTA, February 4, 2009

The newly elected head of the Russian Orthodox Church reached out to Jewish leaders.

Patriarch Kirill, who was elected at a session in Moscow last week and enthroned Sunday, has ties to the Jewish world going back decades.

His predecessor, Patriarch Alexy, traveled to the United States to speak to the Park East synagogue in New York City shortly after the fall of the Soviet Union removed restrictions on the church. Since then, Patriarch Kirill, who served as the church's interfaith and international liaison, has visited New York multiple times.

The Russian Orthodox Church has a troubled history with Jews in Eastern Europe stemming from centuries of hateful rhetoric and ethnic cleansing. Since the fall of the Soviet Union, Jewish and Russian Orthodox leaders have sought closer ties in a country where there are four official religions.

Rabbi Arthur Schneier, the head of New York's Park East Synagogue and The Appeal of Conscience Foundation, attended Patriarch Kirill's enthronement and visited his residence on Tuesday, where they discussed the future of interfaith dialogue.

"The Jewish community is in the minority, therefore it's very important to have a good working relationship with the majority," Schneier told JTA. "You want to judge the stability of a country by how the majority treats the minority."

Leaders of the Russian Jewish community also sent their regards and their desire to work together more closely with the Russian Orthodox Church in the future.

#1j

Scientist Sheinkman, B'nai B'rith Kiev founder, dies JTA, February 4, 2009

Renowned Ukrainian scientist Moisey Sheinkman, a founder and leader of B'nai B'rith in Kiev, has died.

Sheinkman, who was 79 at his death, initiated the B'nai B'rith movement in Ukraine and became the first president of B'nai B'rith Kiev in 1995, serving until 1999. He has been an honorary president of the lodge since 1999.

A Kiev native, Sheinkman graduated from the Kiev Polytechnic Institute and then worked at the national Academic Institute of Semiconductor Physics. He was the author of over 100 scientific works and inventions.

In 1988, Sheinkman was elected a Corresponding Member of the National Academy of Sciences of Ukraine.

For his scientific achievements, Sheinkman received a Laureate of State Prize and as well as numerous other state awards.

“Moisey Sheinkman made a considerable contribution into B'nai B'rith movement development in Ukraine. Thanks to his efforts, B'nai B'rith Kiev affiliated with B'nai B'rith Europe and was recognized by international Jewish organizations,” said Arkady Monastyrsky, a vice-president of B'nai B'rith Kiev and president of the Jewish Forum of Ukraine.

#1k
Ukrainian Jews honor journalist
JTA, February 4, 2009

Jews in the western Ukrainian city of Lvov marked the 85th birthday of journalist Boris Komsky.

Leaders of Jewish organizations and other friends and colleagues gathered at the Leopold Lvov B'nai B'rith lodge on Sunday for the celebration.

Komsky has served for 17 years as the editor-in-chief of Shofar, the leading Jewish publication for Lvov and the region. He is also an activist in the Lvov Jewish community, as well as B'nai B'rith Leopold.

Komsky is a veteran of World War II. After the war he became a professional soldier and served in the Soviet Army as a military correspondent for a military publication until his retirement.

The author of several books, Komsky has been awarded with numerous awards and medals. He also has published many articles in the mainstream Western Ukrainian media and in Jewish publications.

The Jewish community of Ukraine and the Association of Jewish Media in Ukraine expressed gratitude to Komsky for his service to the Jewish people.

“We express our gratitude for his efforts to propagate Jewish culture and the strengthening of Jewish consciousness,” said Mikhail Frenkel, a president of the Association of Jewish Media in Ukraine.

#1l
Ukrainian religious land-use law praised
JTA, February 5, 2009

Ukrainian Jewish leaders praised President Viktor Yushchenko for signing into law a measure providing permanent land use for religious organizations.

Some, however, say it only goes halfway toward restoring Jewish community property.

Yushchenko signed a law permitting officially registered religious organizations to permanently use land under state and municipal ownership for building and maintaining churches and other buildings needed to support their activities, the presidential press service reported Jan 31.

"We appreciate the law but consider it a half measure," Josef Zissels, a longtime leader of the Va'ad in Ukraine, told JTA. "It is necessary [for the government] to transfer all plots which were in Jewish possession, property before the Soviet expropriation and nationalization. For example, we have such a cadastre for Western Ukraine."

"We need a restitution of those plots which were landed property of religious Jewish communities," Zissels said.

The law on amending Ukrainian legislation regarding religious organizations' right to free and permanent use of state land plots was adopted by the parliament on Jan. 15.

Apart from that, the law provides that upon the termination of a religious organization's activities, the right to use such land also ends.

#1m

Crisis exacerbates negative attitude to immigrants in Russia - rights activists Interfax, February 4, 2009

There has been a surge in anti-immigrant sentiments in Russian society caused by the ongoing financial crisis, Russian human rights campaigners said.

"Recently, one has been able to come across the word "immigrant" used in a negative context more frequently. It is linked to fears that the number of construction sites is decreasing and foreign workers could become involved in banditry," Alexander Verkhovsky, director of the Sova analytical center, told Interfax on Wednesday.

At the same time, Verkhovsky said that there is no information pointing to an increase in the number of anti-immigrant incidents prompted by xenophobia.

"I am not expecting nationalistic movements to become more popular during the financial crisis," said the head of the Sova center, which specializes in monitoring xenophobia-related incidents in Russia.

Anti-immigrant sentiments are growing in Russia, Svetlana Gannushkina, head of the Civil Support human rights committee, told Interfax.

They have been "provoked by individual publications and remarks of certain civil servants and public organizations," she said.

The Civil Support committee receives letters from immigrants who complain not about xenophobia, but mostly about violations of their rights by employers and law enforcement officers, Gannushkina said.

According to the Moscow Bureau for Human Rights, ten xenophobia-motivated attacks were committed in Russia in the first two weeks of 2009, in which five people were killed and another seven injured. Nearly all of these incidents occurred in Moscow.

#1n

Russian Jews shocked by Pope's lifting excommunication of Holocaust denying clergymen Interfax, February 5, 2009

The Federation of the Jewish Communities of Russia has expressed grave concern about the decision of Pope Benedict XVI to lift the excommunication from the Roman Catholic Church of four clergymen who deny the genocide of the Jewish people during World War II.

"The decision seems especially blasphemous because it was announced shortly before the day when the whole world pays tribute to the memory of the victims of the Holocaust - on January 27," President of the federation Alexander Boroda wrote in a message to the head of the Catholic archdiocese in Moscow Paolo Pezzi, circulated in Moscow.

The message quotes one of the excommunicated clergymen, Bishop Richard Williamson as saying, "I believe there were no gas chambers. I think that two to three hundred thousand Jews perished in Nazi concentration camps but none of them by gas chambers."

"Anti-Semitism can only be bad if it is against the truth. But if something is true, it cannot be bad," Boroda quotes Williamson as saying.

Boroda described the statements as cynical and anti-Semitic. The Russian Jewish community believes that the decision is casting a shadow on both the Pope himself and the entire Catholic Church and "makes Jews around the world doubtful about the intentions of the Catholic Church to conduct a full-scale interreligious dialogue with representatives of Judaism," he said.

"The latest decision also arouses justified doubts about it being accidental," the message says.

#2

Azeri leader shrugs off rights criticism

By Guy Faulconbridge

Reuters, January 30, 2009

Azeri President Ilham Aliyev said a proposal to scrap a two-term limit on his presidency was aimed at creating more democracy, not keeping him in power indefinitely.

Aliyev accused the West of applying double standards in its criticism of the referendum due in March on whether to scrap the two-term limit, a step that could allow the 47-year-old to stay in power long after his term ends in 2013.

The West criticizes Aliyev for concentrating too much power in his own hands but he remains popular after years of economic boom and there is little doubt that the presidency will be extended.

"You will not find any member of the European Union whose leader cannot be elected as many times as the people want him to be in this position. Is it democratic? Yes. So the same should be applied to Azerbaijan," he told Reuters in an interview late on Thursday at the World Economic Forum in Davos, Switzerland.

"It is democratic, so if the people support this or that leader they have the right to elect him. So I think lifting the restrictions (on the number of terms) is more democratic than having these restrictions," he said, speaking in English.

The Aliyev family has governed the oil-producing Caspian country for most of the last three decades, first by former President Heydar Aliyev and since 2003, by his son Ilham.

Azerbaijan has one of the world's fastest growing economies, with average annual GDP growth of 21.1 percent from 2003-7 and estimated growth of 10.8 percent last year.

The Organization for Security and Cooperation in Europe said last year's presidential election, won by Aliyev with 89 percent of the vote, made "considerable progress" but that it fell short of fully democratic standards.

BIASED CRITICISM

Aliyev dismissed much of the criticism of Azerbaijan's record on human rights and democracy.

"If the criticism is justified and when it comes from a respectable source we are more than ready and willing to discuss it," he said. "Some of the criticism we sometimes hear from various NGOs actually does not bother (us) because this criticism is mainly biased."

Aliyev said the West often judged human rights selectively and ignored major violations in countries where it had geopolitical interests. He mentioned Armenia as an example.

"The situation with human rights in Azerbaijan is not bad. If you look at our region you will see that countries in our neighborhood who brutally violate the elementary human rights of their people have not become the subject of criticism."

"Sometimes those countries that are considered to be more friendly or more close or more, how to say it, more associated with the West, if they do something wrong it is not noticed."

"But if Azerbaijan, which is also friendly to the West but which pursues its own independent policy, does one percent of what those other countries do then we immediately become a subject of criticism."

On resolving the Nagorno-Karabakh dispute, one of a handful of "frozen conflicts" stemming from the collapse of the Soviet Union, Aliyev said there were still no results.

Ethnic Armenian separatists, backed by Armenia, fought a war in the 1990s to throw off Azerbaijan's control over Nagorno-Karabakh. An estimated 30,000 people were killed. A fragile ceasefire is in force but a peace accord has never been signed.

#3

Obama's opportunity?

By Andrew C. Kuchins and Samuel Charap

International Herald Tribune, January 30, 2009

Reading the tea leaves on Russia's future is never a straightforward exercise. This is particularly true now, as the international economic crisis rocks the country to an extent that few in the West anticipated.

Thus far, the crisis appears to have pushed the Russians toward a more aggressive foreign policy: Among other moves, they have threatened to deploy anti-air missiles in Europe, sent their fleet for military exercises to Latin America, and engaged in another gas war with Ukraine, at one point cutting off all deliveries to European consumers.

Yet it would be premature to conclude that economic dire straits have led the Russians to make a definitive turn toward confrontation. In fact, the crisis has created clear incentives for Russia to head in the opposite direction and cooperate with the West. The question is whether the Kremlin will respond to these incentives and, if it does, whether the Obama administration can take advantage of the opportunity to work with Moscow and implement its ambitious agenda for U.S.-Russian relations. Recent aggressiveness notwithstanding, the economic crisis could well increase the chances to revive bilateral relations from their current post-Cold War nadir.

The crisis has hit Russia extremely hard. Its stock market has lost over 70 percent of its value since its peak in May - the worst performance among emerging markets. After a remarkable decade of robust growth, economic performance is expected to stagnate this year or even decline. Since early August, Russia spent more than \$200 billion - nearly a third of its reserves - on implementing various stimulus measures and supporting the ruble. Industrial production in November and December plunged more than 9 percent, while the number of unemployed in Russia increased by 20 percent from Oct. 1 to mid-January. Recent estimates suggest that if the oil price remains below \$40 per barrel, the Russian budget, after a decade of surpluses, could run a huge deficit of 5 to 10 percent of GDP this year. In 2008 capital flight was an astonishing \$129.9 billion, which is over five times the previous high recorded in 2000.

The crisis has shown that Russia is highly dependent on the world economic system. Assertions by policymakers as recently as six months ago that Russia was an "island of stability" somehow immune to the global downturn have proved hollow, to put it mildly. Despite the Kremlin's crowing about new-found sovereignty and power, Russia needs resources that only international, particularly Western, markets can provide.

Three examples illustrate the point. Since its budget appears likely to run a large deficit this year, Moscow may need to turn to international lenders to shore up its fiscal position, especially if its stabilization funds and foreign currency reserves continue to be depleted. Russia's stock market can only recover if foreign investors return. Large Russian corporations, especially state-controlled Gazprom and Rosneft, desperately need to refinance loans obtained from Western lenders. Overall, Russian companies have about \$100 billion in debt coming due in 2009.

The crisis thus appears to have created clear incentives for Russia to work with the West. When oil was over \$140 a barrel, Russia had little motivation to cooperate - the economic environment was so attractive that investors and trading partners continued to pour in money even when relations with the West soured. Today, the way for Russia to regain access to these revenue flows - which could be crucial in avoiding what could be an impending economic catastrophe - is by improving relations with the West. A climate of confrontation will make it much more difficult for Russia to obtain the resources that it desperately needs.

Economic incentives clearly do not translate directly into policies; the key issue is whether the Russian leadership will respond to these incentives or instead to their often conservative, anti-Western instincts. Recent indications that Moscow and Washington have reached a deal on a transport corridor for supplies heading to Afghanistan might be the first sign that more cooperative behavior is in the offing.

Both during the campaign and the transition, President Obama and his team outlined an ambitious program of engagement with the Russians, especially on arms control and nonproliferation. The crisis has created clear incentives for the Russians to work with Washington on these and other issues in order to create an external political climate conducive to economic recovery.

Although it remains unclear whether the Kremlin will respond to these incentives, the Obama administration now finds itself in a unique position. For the first time in nearly 10 years, the Russians have the economic impetus to work with us. While Russia's recent aggressive moves should not be ignored, they also should not prevent Obama and his team from taking advantage of what might be a window to improve relations.

Andrew Kuchins is director of the Russia and Eurasia Program at the Center for Strategic and International Studies in Washington. Samuel Charap is a visiting fellow at the program.

#4

Thousands Rally Over Economy By Alexandra Odynova Moscow Times, February 2, 2009

Angered over mounting economic problems, thousands of people took to the streets in Moscow and other cities around Russia over the weekend to denounce President Dmitry Medvedev and Prime Minister Vladimir Putin in the largest display of public discontentment in years.

United Russia, the party that dominates Russian politics and is led by Putin, brought thousands of people to Manezh Square near the Kremlin to rally in support of Putin and Medvedev.

The largest anti-government rally took place Saturday in Vladivostok, where the Communist Party led some 2,500 people in a march against the government and a recent decision to increase tariffs on imported cars. The livelihood of many local residents depends on imported cars.

Vladivostok protesters carried banners reading, "Kremlin, we are against you," and some shouted slogans for Putin to resign, news agencies reported.

Vladivostok police kept a close eye on the unauthorized rally but did not intervene. The police violently dispersed a similar protest in December, detaining about 100 people.

In Moscow, about 1,000 Communist demonstrators gathered with signs reading "Putin's plan = Peril to Russia!" at a sanctioned rally on Triumfalnaya Ploshchad, near the Mayakovskaya metro station. Communist leader Gennady Zyuganov called on the government to abandon Western economic models and nationalize broad swathes of the economy.

The 90-minute demonstration was cordoned off by hundreds of OMON riot police, and a helicopter patrolled the sky over central Moscow.

Four activists with the banned National Bolshevik Party threw smoke bombs into the crowd, and they were detained quickly by the police.

National Bolshevik leader Eduard Limonov was detained with several supporters as they approached the venue of the Communist demonstration shortly after the Communists left. He was released Sunday after spending the night in detention, a spokesman for Limonov said.

Several hundred people decried the government at two Moscow demonstrations on Sunday.

Also Saturday, several dozen activists with Garry Kasparov's United Civil Front opposition group marched on Bolshaya Polyanka, near the Polyanka metro station, shouting "Down with the government!" and "Russia without Putin!" Young people wearing masks and carrying metal rods brutally beat several protesters while police detained others.

A handful of protesters from the anti-Kremlin youth group My, or "We" in English, rallied outside the White House with blank signs and their mouths taped shut. Police detained all the participants.

A Moscow police spokesman said 41 people — comprising National Bolshevik and United Civil Front activists — were detained briefly Saturday for participating in unauthorized rallies. Over 5,000 officers were deployed.

The anti-government rallies were largely ignored by state television, which instead covered United Russia's pro-government rallies in Moscow and several other cities. About 9,000 people showed up on Manezh Square for about 30 minutes, waving signs with images of Medvedev and Putin and the words "We trust!" Army soldiers served hot tea and cookies to the participants.

St. Petersburg authorities refused to sanction an opposition rally, so United Civil Front staged one-person pickets in which individuals took turns holding an anti-government poster on the street.

About 500 Communist protesters attended an anti-government rally in Novosibirsk, and some 100 rallied in Sochi, Itar-Tass reported.

The Liberal Democratic Party also held a sanctioned protest in Moscow.

The protests pose a challenge for the government, which saw little public discontent over the past eight years as high oil prices fueled higher living standards. But with oil prices crashing back to earth, the government faces the prospect of growing protests, especially if it is forced to cut social spending, said Alexander Tarasov, a sociologist and Soviet-era dissident. "People's illusions that Russia won't be affected by the global financial crisis have vanished, and the result could easily be wide public indignation," Tarasov said.

Alexander Averin, a spokesman for the Other Russia opposition coalition, which includes both National Bolshevik and United Civil Front activists, said the group is planning more protests and expects many more

participants by the summer. The opposition, which usually focuses on Moscow and St. Petersburg, will widen its protests to other cities soon, Averin said.

The government is clearly worried about possible unrest. During a meeting with Federal Security Service officers last week, Medvedev stressed that the agency and police force would receive sufficient financial support to keep the situation under control in the country despite the crisis.

"Of course they have fears about our activities," Averin said of the government. "If they weren't afraid, they wouldn't dispatch so many policemen to prevent protests."

Tarasov said he was worried about police violence. "It is also possible that they will try too hard in their attempts to suppress the demonstrators," he said.

#5

As Economy Sinks, Russians Protest By Michael Schwartz and Clifford J. Levy New York Times, February 1, 2009

Protesters held demonstrations throughout Russia on Saturday, offering largely subdued, but pointed criticism of the government's economic policies as the country continues to sink deeper into an economic morass.

Antigovernment protests are rare in Russia, and the latest come amid growing public anger with a government not used to widespread criticism after years of economic growth. Officials had initially hesitated to publicly acknowledge Russia's economic troubles, brought on by a steep drop in oil prices and the worldwide financial downturn.

The government has allocated billions of dollars to bail out troubled banks and companies but has yet to put forward a clear long-term strategy for dealing with mounting unemployment and a rapidly devaluing ruble.

Other demonstrations against the government, as well as some in support, were held in several cities throughout the country, Russian news agencies reported.

About 1,000 people attended a rally organized by the Russian Communist Party in Moscow, calling for a return of the centralized economic policies of the Soviet Union, according to news agencies. The authorities approved the rally, and cordons of riot police officers watched over the march but did not interfere.

In another part of the city, about 200 protesters from opposition groups marched down several city blocks, having eluded the police in a circuitous jaunt through the city subway system. The authorities had vowed to prevent the march when organizers announced it last week.

The group waved flags and shouted "Down with the police state!" and "Russia without Putin," referring to Prime Minister Vladimir V. Putin.

Col. Viktor Biryukov, a police spokesman, said that 41 people were detained in small, unsanctioned protests throughout Moscow on Saturday. That group included Eduard Limonov, a writer and a leader of the banned National Bolshevik Party.

Meanwhile, several thousand people gathered in central Moscow for a demonstration organized by the main pro-Kremlin party, United Russia, in support of the government's policies, according to the party's Web site.

An antigovernment protest in Vladivostok in Russia's far east was also largely peaceful, but it was closely watched because the authorities had violently broken up a protest there in December. Tensions have escalated in the region since the government raised tariffs on the import of foreign vehicles in an effort to protect domestic auto manufacturers, which have been badly hurt by the financial crisis.

Used Japanese vehicles are popular in Vladivostok, and many people make their living importing them. The tariffs have hurt the business.

The federal authorities flew in riot police officers from Moscow for the march in December in Vladivostok, a decision that drew heavy publicity, and the officers' aggressive tactics were widely criticized. This time, local police officers appeared to be overseeing the event and were far more restrained.

About 1,000 participants marched through the center of the city before holding a rally in front of a statue of Lenin, where they demanded the resignation of the Russian government.

"The authorities who don't listen to the people should resign," said Vladimir V. Grishukov, the leader of the regional branch of the Communist Party, which helped organize the event. "Only when there are authorities in the Kremlin and here in the maritime region who meet the demands of the people and come under their control, only then will we solve important and crucial problems."

#6

A Threat to Putin's Big Plans

By Clifford J. Levy

New York Times, February 1, 2009

Over the last eight years, as Vladimir V. Putin has amassed ever more power, Russians have often responded with a collective shrug, as if to say: Go ahead, control everything — as long as we can have our new cars and amply stocked supermarkets, our sturdy ruble and cheap vacations in the Turkish sun.

But now the worldwide financial crisis is abruptly ending an oil-driven economic boom here, and the unspoken contract between Mr. Putin and his people is being thrown into doubt. In newspaper articles, among political analysts, even in corners of the Kremlin, questions can be heard. Will Russians admire Mr. Putin as much when oil is at \$40 a barrel as they did when it was at \$140 a barrel? And if Russia's economy seriously falters, will his system of hard, personal power prove to be a trap for him? Can it relieve public anger, and can he escape the blame?

"We talk about a lack of democracy in Russia, but I like my own formula for the country, which is authoritarianism with the consent of the governed," said Dmitri Trenin, director of the Carnegie Moscow Center. "And it can be taken away."

"The present rulers know that they will not be toppled by Kasparov," Mr. Trenin said, referring to Garry K. Kasparov, the former chess champion whose political challenges to Mr. Putin can seem quixotic. "But if the working people of Russia decide that they have had enough, that will be the end of it. It happened to Gorbachev, and it almost happened to Yeltsin."

Few are predicting Mr. Putin's downfall any time soon, especially considering how methodically he has undermined the opposition. Many Russians believe he rescued them from the misery of the 1990s, and the polls say his popularity remains very high.

But those polls also show his popularity slipping a bit, amid far darker indicators. The unemployment rate is soaring, banks are failing and the ruble has dropped so fast in value that Russians are again hiding their money in dollars in their apartments. Sporadic protests have broken out as some factories close or cut production.

For now, the Kremlin is desperately spending down the hundreds of billions of dollars in reserves that it put away in good times, all the while trying to quell comparisons to Russia's economic meltdown in 1998, when the government, under Boris Yeltsin, defaulted on its debt. Mr. Putin, the current prime minister and former president, and his protege, President Dmitri A. Medvedev, try to assure the public that they are addressing its pain. Yet Mr. Putin has created a government so highly centralized and so resistant to criticism that it is unclear whether it can respond adeptly to rising dissatisfaction.

At all levels, government officials are unaccustomed to vying in contested elections, let alone to reaching out for popular support or trying to get a feel for the range of grass-roots sentiment.

The Parliament is essentially an arm of the Kremlin, and Mr. Putin has done away with the election of regional governors, who are now presidential appointees. The structure is known here as Mr. Putin's vertical system of power — decisions emanate from the very top, then are passed down to regional and finally local officials.

Aleksandr A. Auzan, an economist and board member at a research institute set up by President Medvedev, said that in the Putin system, "there is not a relationship between the authorities and the people through the Parliament or through nonprofit organizations or other structures. The relationship to the people is basically through television. And under the conditions of the crisis, that can no longer work."

In other words, if people feel their government is not heeding their complaints, they may think their only option is to take to the streets.

One social scientist, Yevgeny S. Gontmakher, created a bit of a sensation in political circles late last year when he explored this theme in an article in a newspaper, *Vedomosti*, that he titled, "Scenario: Novochoerkassk — 2009."

He described how unrest could occur in industrial cities that depend on a single factory, if the factory closes. (Novochoerkassk is such a city; in Soviet times, food shortages set off riots there that the Soviets brutally suppressed.)

In the scenario, local authorities beholden to Moscow would freeze up or panic in the face of spontaneous protests, and the situation would quickly deteriorate.

"The vertical system of power is not flexible," Mr. Gontmakher said in an interview. "These bureaucrats, they wait for a reaction from Moscow, even in small situations, before making decisions. This is a big threat. It is very dangerous for Putin."

The government's response to the article hinted at how the authorities remain unsure whether to address the country's financial troubles with a thaw or a crackdown. At first, Kremlin officials thanked Mr. Gontmakher. Then, federal media regulators warned *Vedomosti* that the article might be "an attempt to incite extremist activities."

Mr. Putin may have also put himself in a political bind by establishing his tandem leadership with Mr. Medvedev. (Barred from running for a third consecutive presidential term, Mr. Putin anointed Mr. Medvedev as his successor and had Mr. Medvedev appoint him prime minister.)

Mr. Putin is still considered Russia's paramount leader, but by taking the title of prime minister, he may have deprived himself of a fall-guy-in-waiting. That role traditionally has gone to Russia's prime ministers; President Yeltsin repeatedly dismissed his during the 1998 default.

So far, Mr. Putin has instead made a scapegoat of the United States, saying it was at the heart of Russia's crisis, rather than Russia's over-reliance on the export of natural resources.

Last week, as opposition leaders in Russia planned protests over the crisis, Mr. Putin was at the World Economic Forum in Davos, Switzerland.

He began his keynote address by saying, "In the last few months, virtually every speech on this subject has started with criticism of the United States. But I will do nothing of the kind." And then he went on to do just that.

#7

Crisis-hit Latvia faces government shake-up

Reuters, January 31, 2009

The biggest party in Latvia's ruling coalition called for a government shake-up on Saturday, ahead of a confidence vote called over discontent with the impact of the global economic crisis and corruption allegations.

The popularity of the current four-party coalition has plummeted since Latvia last year became the second EU nation after Hungary to need an IMF-led financial rescue.

The economic woes came on top of discontent with allegations of corruption and nepotism against the government, which exploded into a riot on Jan. 13.

"We think the government and coalition cannot work further with this line up," Maris Kucinskis, leader of the People's Party parliamentary group, was quoted by Baltic news agency BNS as saying.

Kucinskis said the party would on Monday meet Prime Minister Ivars Godmanis to explain why the government needed to be changed and then meet other parties in the 100-seat parliament, including opposition groups, for talks on a wider coalition.

People's Party chairman and interior minister, Marek Seglins, on Friday said it was pointless for the current government to continue.

The People's Party has already called for early elections and analysts have said it might be pushing for the coalition to break up in order to disassociate itself from the financial crisis and help its poll ratings recover.

A recent opinion poll showed that only the opposition New Era and the Harmony Centre Party, which has traditionally had wide backing among the large Russian-speaking population, would make it into parliament if elections were held now.

The current coalition includes the People's Party, the Union of Farmers and Greens, Latvia's First Party/Latvia's Way of Godmanis, and the nationalist For Fatherland and Freedom.

The second-largest party, the Union of Farmers and Greens, has also threatened to quitting the coalition if demands for more aid for dairy farmers were not met.

Tensions in the coalition have emerged ahead of a Thursday vote of confidence in Godmanis called by the opposition.

The government, in office under Godmanis since the start of last year, has come under intense pressure as the economy plunged into recession after the credit crunch hit.

Godmanis struck a deal for a 7.5 billion euro (\$9.64 billion) loan led by the International Monetary Fund, but has to make harsh budget cuts, which is increasing the economic woes.

#8

Georgian PM resigns due to poor health

Reuters, January 30, 2009

Georgian Prime Minister Grigol Mgaloblishvili resigned Friday after three months in the job, a senior government source told Reuters, citing poor health.

The 35-year-old career diplomat had been undergoing treatment in Germany for a kidney condition, and was due to hold a news conference Friday.

"The statement we are expecting will be about the prime minister's resignation," the source said. "It's very difficult for him to work because he's quite sick."

Georgian media reports have spoken of a growing rift between Mgaloblishvili and President Mikheil Saakashvili, who was said to be disappointed with the prime minister's performance.

Georgian and Russian media reported last month that Saakashvili hit Mgaloblishvili during an argument. Saakashvili has publicly denied this. Mgaloblishvili has made no public comment.

Mgaloblishvili was appointed on November 1 under a government shakeup ordered by Saakashvili after the former Soviet republic's crushing military defeat by Russia in August.

He was Georgia's fourth prime minister since Saakashvili came to power on the back of the 2003 "Rose Revolution."

#9

Israel and Azerbaijan: Baku's Balancing Act Caucasian Review of International Affairs, February 2, 2009

Israel's January war with the Palestinian militant organisation Hamas created a dilemma for governments around the world – how to reconcile public opinion, which by and large opposed Israel's actions, with their own distaste for Hamas and their ties with the Jewish state. Nowhere was this dilemma sharper than in those Muslim states which have a relatively good relationship with Israel. Turkey's Prime Minister Recep Tayyip Erdogan vented his anger at the Davos summit by storming out of a heated debate with the Israeli president Shimon Peres. Commentators are divided over whether the row will have any lasting impact on Turkish-Israeli ties, which are generally very good, but the incident certainly won him support at home.

Azerbaijan's President Ilham Aliyev has avoided similar drama, but is faced with the same problem. During the crisis, the official position was notable for its caution and sense of neutrality, in stark contrast to most other Muslim and Arab states. Baku merely expressed its support for the creation of an independent Palestinian state and its concern at the situation there.

Azerbaijan is almost unique in the Muslim world (with the exception of Turkey) for the strength and depth of its cooperation with Israel. The long-standing Jewish minority in Azerbaijan, the fundamentally secular nature of Azerbaijani society and the Azerbaijani state, and shared strategic interests provide a basis for a remarkably warm relationship.

'Shared strategic interests' essentially means the containment of Iran, and to a lesser extent Russia. Neither Tel Aviv nor Baku has any interest in seeing the spread of Tehran's particular brand of Islamic theocracy, no matter how faded the 'revolutionary' aspect of it has become in the 30 years since the fall of the Shah. The extent of Israel's antagonistic relationship with Iran is well documented, and it is keen to see Azerbaijan from following a similar course to its southern neighbour for both military and geopolitical reasons. Militarily, Tel Aviv has (along with Washington) repeatedly pressured Baku for basing rights in the event of a military strike on Iran's nuclear facilities, although Azerbaijan has diplomatically refused. According to a 2005 report by a US think-tank, Israel might have also set up listening posts on the Azerbaijani-Iranian border, and trains Azerbaijani intelligence agencies and security forces. Geopolitically, Israel has a vested interest in maintaining the pro-Western Turkey-Georgia-Azerbaijan axis in Eurasia, all of which are stridently opposed to Islamist movements in their respective neighbourhoods and all of which constitute the East-West energy corridor to Europe which Israel may one day attempt to join. In economic terms, Israel is Azerbaijan's sixth-largest trading partner and has allegedly been heavily involved in Azerbaijan's oil and gas sectors.

Israel's support for Azerbaijan was evident as early as 1992, when it became one of the first to recognise the new state. Bilateral political and economic relations developed steadily since then. There is an intensive military cooperation between the two countries. An interesting struggle has also emerged in Washington between the Armenian lobby, attempting to persuade the US Congress to recognise the alleged genocide in

1915 by the Ottoman Turks, and the Jewish lobby, which continues to influence the considerations of US policymakers. As part of their strategic alliance with Turkey and Azerbaijan, Israel and the Jewish lobby have refused to support the genocide resolution and have assisted Turkish efforts to block it. This careful quid pro quo appears to be unravelling in the wake of Ankara's criticism of the Gaza war. In this context, Azerbaijan may have a critical role to play as a peacemaker between its two allies. Whether it is willing to do so is another matter: separate from the genocide allegations is the issue of Nagorno-Karabakh, an issue on which Azerbaijan feels that Israel has been insufficiently supportive. The relative support for Azerbaijan in the US over the Karabakh issue has been primarily based on Washington's security and energy interests there rather than through any influence exerted by the Jewish lobby. Israel, notably, abstained from voting on an Azerbaijani UN resolution expressing support for the country's territorial integrity and demanding a withdrawal of Armenian forces from the occupied territories. Although unlikely to seriously damage relations, Israel's abstention did not go unnoticed in Baku.

Alongside excellent relations with Israel, Azerbaijan has also been trying to maintain warm relations with the Arab/Muslim world, and is, inter alia, an active member of the Organisation of the Islamic Conference. And it is mainly due to this fact that Azerbaijan is refusing to open an embassy in Jerusalem in spite of constant Israeli calls.

Nevertheless, Baku's support of Israel (and the West) has come at a cost, mainly at home. Although the level of radical Islam in Azerbaijan is hotly disputed, the government acknowledges that there are militant organisations operating there, including Hizb-ut-Tahrir and Hezbollah, who make no secret of their loathing of Israel or the West. Indeed, the Times of London recently reported that in 2008 Azerbaijani Intelligence foiled a Hezbollah plot to blow up the Israeli embassy in Azerbaijan, in revenge for the assassination of Imad Mughniyeh, the organisation's military chief. Late last year rumours surfaced that the North Caucasian Islamic resistance was attempting to establish a branch in Azerbaijan, and was responsible for a mysterious bomb attack on a Baku mosque in August 2008. And in 2007 the Azerbaijani security services had foiled a major attack on Western embassies and oil companies by army deserters.

During the Gaza war attempts were made to protest outside the Israeli embassy in Baku, although the demonstrations were blocked by the authorities. Of far more concern were the series of angry protests held in the religiously conservative village of Nardaran near Baku, during which death threats were made against an MP, Sabir Rustamkhanli, who suggested during an interview with an Iranian TV station that Hamas was partly to blame for the conflict. The protesters also demanded that the Azerbaijani government cut all ties with Israel. This is not the first time that Nardaran, which is supposed to have strong connections to Iran, has been a source of concern for the authorities: in 2002 and again in 2006 there were angry demonstrations against perceived corruption and a lack of services. Although it would be exaggerating to portray Nardaran as a hotbed of radical Islam, the village is inevitably the focal point of religious protests and could become a significant anti-government location if relations between the authorities and the Islamic community deteriorate.

The Azerbaijani government must therefore tread carefully. Its close relationship with Israel and America will be viewed with great hostility by supporters of the Palestinian cause and those who feel that the government is already 'selling out' to the West by allowing Western companies to invest so heavily in the country's energy riches. Deepening ties with Israel, or further Israeli actions against Muslim states, will provoke religious anger on the streets and increase the appeal of parties such as the Islamic Party of Azerbaijan, which demands an Iranian-style Islamic state as the only answer to Azerbaijan's problems. But giving up such a productive and lucrative relationship with Tel Aviv is not an option, for economic as well as strategic reasons. For now this painful dilemma can be avoided or fudged. But there is no doubt that what Baku fears most is an Israeli attack on Iran. This would be a serious test on the country's balancing act, and would raise the spectre of further radicalism inside Azerbaijan.

#10

Hoping for the better

By Kanat Saudabayev

Washington Times, February 3, 2009

The inauguration of Barack Obama as U.S. president has opened a new page in the history of America and the world. Great hopes for changes for the better are pinned on the new American leader. We in Kazakhstan sincerely wish the 44th U.S. president strong health and strong political will to fully realize his good intentions of making America and the world safer and more prosperous.

Kazakhstan and the U.S. are time-tested strategic partners with successful experience of working together in such critical areas as nonproliferation of weapons of mass destruction, the fight against terrorism, energy, and democracy. A phone conversation soon after the election between Obama and Kazakhstan President Nursultan Nazarbayev instilled confidence that, under the new administration, Kazakhstan-U.S. relations would continue to grow. The two leaders discussed further cooperation on pressing international problems such as nonproliferation, the fight against terrorism and the stabilization of Afghanistan.

We in Kazakhstan not only share the new administration's concern with these problems but also believe their solution lies through stronger cooperation of progressive nations sharing common values. Closing our ranks even further is especially crucial today in the face of the most serious economic crisis the world has seen. "America is strongest when we act alongside strong partners," says President Obama. Kazakhstan is such a partner eager to continue working shoulder to shoulder with the United States and others to build a more secure and prosperous world.

Cooperation in the critical area of nonproliferation has been a cornerstone of our strategic partnership. In the early 1990s, President Nazarbayev took a courageous decision to voluntarily renounce the world's fourth-largest nuclear arsenal (which it held while part of the old Soviet Union). Working with the U.S. under the outstanding Nunn-Lugar Cooperative Threat Reduction program, Kazakhstan has fully rid itself of nuclear weapons and their infrastructure, becoming an active participant in global nonproliferation processes. Today, our cooperation, recognized as the most effective model for removing a nuclear threat, successfully continues.

We are greatly encouraged by the fact that nonproliferation is among the top priorities for President Obama and his administration. We believe it is necessary to not only continue our bilateral cooperation, but also to use more actively the example of Kazakhstan's nuclear disarmament and our cooperation with the United States in convincing other countries to renounce their nuclear-weapon ambitions. Kazakhstan's dynamic economic development since independence, and the evolution of our country into an equal and respected partner of the international community - confirmed by Kazakhstan's election as chair of the Organization for Security and Cooperation in Europe (OSCE) and the Organization of Islamic Conference (OIC) - these are all arguments which prove that renouncing nuclear weapons and opting for mutually beneficial cooperation with the world is a more effective way of ensuring a country's security than a nuclear bludgeon.

Kazakhstan, having initially supported efforts of the United States and other countries in Operation Enduring Freedom, will continue to assist the international coalition actions in Afghanistan as these are directed at strengthening security and stability in Central Asia and beyond, which is in our common interests. The international community should pour more efforts into the political settlement and economic rehabilitation of Afghanistan, as well as in reducing, and, eventually, eliminating fully, the production and smuggling of drugs out of that country.

Today, it is crucial to continue building bridges between Islam and the West, and to renounce phobia of Islam in the West and phobia of the West in the Islamic world. Kazakhstan, a secular Muslim-majority country bridging Europe and Asia, is uniquely positioned to promote such dialogue and understanding. At President Nazarbayev's initiative, this year Kazakhstan will host the Third Congress of Leaders of World and Traditional Religions. Last year, Astana hosted a forum, "Common World: Progress through Diversity," bringing together foreign ministers from Western and Oriental nations. Last but not least, Kazakhstan will chair the OSCE in 2010 and the OIC in 2011. Promoting the dialog of civilizations during this important period will be one of our top priorities, and we hope to achieve greater mutual understanding between the West and the Islamic world. Again, Kazakhstan is eager to work together with the United States in this area of great importance to us all.

We welcome Barack Obama's intention to visit Kazakhstan. He would become the first-ever sitting U.S. President to visit not just Kazakhstan but also the region of Central Asia. Such a visit would both give a new, powerful boost to our bilateral cooperation and help chart a new way forward in U.S. relations with moderate Muslim nations. That is why we sincerely say to the American leader: "Welcome to Kazakhstan, Mr. President!"

Kanat Saudabayev is Kazakhstan's secretary of state. He served as Kazakhstan's Ambassador to Washington in 2000-2007.

#11

Testing the Public's Appetite for Protests

By Nikolai Petrov

Moscow Times, February 3, 2009

A wave of rallies and demonstrations swept the country over the weekend. Despite the cold weather in most regions, demonstrators gathered in the central squares of a number of cities. Their numbers varied from several dozen to a few thousand in Vladivostok, Novosibirsk, Volgograd and Moscow. These separate demonstrations were staged to protest higher duties on imported used cars, higher utilities costs, the government's ineffective anti-crisis measures and widespread layoffs.

Numerous counterdemonstrations were held on the same day in support of the ruling authorities. Organized by United Russia, the rallies used the slogan "The people! Medvedev! Putin! Together we will succeed!" The largest such rally in support of the authorities was held in Grozny, where about 10,000 people turned out. According to United Russia, more than 100,000 people participated in demonstrations organized by the party in 56 regions of the country.

Many places witnessed both pro- and anti-government demonstrations and in varying ratios. Up to 2,000 people gathered in Novosibirsk to call for the government to step down, whereas the pro-government rally there was canceled due to the cold.

Protesters' slogans varied and included many radical political statements. In Vladivostok, demonstrators chanted, "We need a change in leadership!" and "The government should resign!" In Yakutsk, protesters also called for the government to step down and for early elections. In Ulan-Ude, people shouted, "Down with Putin!" In St. Petersburg, a "supporters' march" was held a few days ago that used the tongue-in-cheek slogans of "We agree with everything! Raise the cost of utilities! Yes, raise tariffs on imported cars!" and "Tear down trees in parks and build new skyscrapers!"

Many different organizations participated in the anti-government protests, including the Federation of Automobile Owners, the Communist Party, the Left Front, The Other Russia, Solidarity, the United Civil Front, the Communist Youth Union, the National Assembly, the banned National Bolshevik Party and Yabloko.

The authorities' tactics have also changed: Instead of dispersing protests, they hold counterprotest rallies and carry out spot detentions of key individuals such as National Bolshevik leader Eduard Limonov, Roman Dobrokhotov and others.

The recent wave of rallies -- both pro- and anti-government -- was more likely just a test run rather than an indication of people reaching their breaking point. If they do snap, it will probably not take place in the largest cities but in smaller one-company towns where if the local industry fails, the entire economy collapses.

But it is worth noting that the authorities are already unable to stem the flood of protests and are attempting to neutralize their effect by launching their own wave of even larger counterprotests. On one hand, that represents a return to public politics and street-level democracy -- with all of its pros and cons. On the other hand, it is what might be called "reactionary political modernization," inspired not by liberal reforms coming from the Kremlin or the White House but by pressure coming from the grassroots opposition.

#12

Russia and U.S. pledge closer cooperation under Obama

Reuters, February 3, 2009

U.S. Secretary of State Hillary Clinton and her Russian counterpart Sergei Lavrov agreed on Tuesday to work more closely on key strategic issues, Russia's Foreign Ministry said.

The two foreign ministers spoke by telephone at the request of Washington, the ministry said in a statement.

"In the course of the discussion, the accent was given to the mutual interest of building a positive agenda for our relations after the arrival of the new U.S. administration."

"Especially noted was the importance of strengthening bilateral cooperation, including questions of strategic dialogue and economic cooperation, as well as current international problems such as the resolution of (the situation in) Afghanistan," the statement said.

Moscow's ties with Washington sank to a post-Soviet low in August over the war in Georgia, but some diplomats hope relations could thaw under the new administration of U.S. President Barack Obama.

Russia's powerful Prime Minister Vladimir Putin has cautiously noted positive signals from the new administration and a Russian news agency reported last month that Russia had halted plans to deploy tactical missiles near the Polish border.

Though unconfirmed, the report has raised hopes the Kremlin could be indicating it wished to boost cooperation after rows over a U.S. missile defence system in Europe, the expansion of NATO and the war in Iraq.

Obama and Russian President Dmitry Medvedev are set to meet for the first time on the sidelines of a Group of 20 summit in London in April.

Both countries want to boost nuclear cooperation and discuss how to replace a key Cold War strategic arms control pact.

Russian and U.S. diplomats say they are confident Moscow could find a deal with the new U.S. administration on replacing the START-1 pact, which expires at the end of this year.

The START treaty, signed by Moscow and Washington in 1991, committed both to cutting their numbers of missiles and strategic bombers to 1,600 each. Both sides met limits set by the treaty by December 2001.

#13

Russia Faces Tough Fight on Ruble

By Joanna Slater in New York, Gregory L. White in Moscow

Wall Street Journal, February 4, 2009

Russia has vowed to put a floor under the beleaguered ruble. It may have painted a bull's-eye on the currency instead.

Pressure on the ruble is likely to mount in coming weeks, say investors and analysts. Many predict a gloves-off battle between investors intent on driving the currency lower to reap profits, and Moscow, which may be forced to make unpleasant choices to keep the ruble from falling.

Already, sellers ranging from foreign investors to local companies have driven the ruble to within a hairsbreadth of the central bank's new limit, announced just two weeks ago. The tumble comes despite higher interest rates and steps to limit the supply of rubles.

The Russian authorities "set themselves a line in the sand, and we've approached it very rapidly," says James Malcolm, a currency strategist at Deutsche Bank in London. "It's an irresistible target."

The exchange rate is a highly sensitive issue in Russia, where memories of the 1998 ruble collapse remain fresh.

The currency's drastic reversal over the past few months -- hammered by the plunge in the price of oil, Russia's main export, and a torrent of capital fleeing the country amid the global crisis -- has put the Kremlin on the defensive.

Since August, Russia has engaged in a costly effort first to stop, then to slow, the ruble's slide, spending more than a third of its hefty foreign-exchange reserves in the process. Where once the country had about \$600 billion in its stockpile, it now has roughly \$385 billion. In the third week in January alone, reserves fell by \$10 billion.

Top officials including Prime Minister Vladimir Putin have defended the policy, saying it was necessary to allow banks and the populace to adjust to the move. Controlling the ruble's descent also gave big Russian companies time to restructure some of their massive foreign-currency debts, which would have become far more costly for them had the ruble plunged, analysts said. Import prices would rise if the ruble collapsed, potentially angering consumers.

Late last month, the government halted the policy and instituted a new trading band for the ruble with a lower limit of 41 rubles against a basket of dollars and euros. By Tuesday, the ruble was kopecks away from that level.

Earlier this week, it hit an 11-year low of a little more than 36 rubles to the dollar.

Investors "want to try the central bank's resolve," says Markku Anttila, a currency trader who focuses on Russia at Danske Bank. One complicating factor: With banks inside and outside Russia strapped for cash, speculators could find it difficult to generate financing for big bets against the ruble.

Some parts of the currency markets already are reflecting a vote of no confidence in Russia's new framework. Contracts to buy rubles in three months are priced beyond the government's band -- in other words, they are betting the band won't last.

The Russian government's defense of the ruble brings to mind other episodes from Asia to Latin America where governments have burned through reserves to defend their currencies only to succumb. "Policy makers defend, defend, defend, and then give up," says Koon Chow, a currency strategist at Barclays Capital in London. "That's what people are gunning for in terms of the ruble."

Russian officials have said they would consider lowering the floor only if oil prices fall to about \$30 a barrel or less and remain there. In the short run, Mr. Chow expects the government to defend the band at the cost of further depleting the country's reserves, before eventually ceding ground. "It will be a bit of a credibility fight over the next one to two months," he says.

So far, the central bank's efforts -- raising interest rates and tightening liquidity -- haven't been aggressive enough, analysts say, serving mainly to whet investors' appetites for more ruble declines. As a result, most of the money the Kremlin is spending to boost the banking system and the economy is flowing into the currency market instead.

"All the rubles that are out there have been turned into dollars," says Natalya Orlova, chief economist at Alfa Bank in Moscow. "To get out of this spiral where everyone expects a devaluation will be very difficult."

She says a decisive defense would require a massive increase in interest rates that would shake the fragile banking system and the slumping economy. Some analysts said the government also could impose capital controls, limiting money from leaving Russia.

Though the state media in Russia tightly control discussion of the issue, the ruble's plunge has fueled some criticism of the authorities, who for months were pledging they wouldn't allow a sharp devaluation. A poll released this week showed Russian confidence in the ruble had fallen to the lowest level in five years.

The dollar was dumped across the board Tuesday as a strong rally in U.S. stocks encouraged some risk seeking, denting safe-haven flows into the U.S. currency. Tuesday afternoon in New York, the euro was at \$1.3040 from \$1.2844 Monday, while the dollar was at 89.22 yen from 89.61 yen, according to EBS. The euro was at 116.45 yen from 115.13 yen, according to EBS. The U.K. pound was at \$1.4466 from \$1.4281, while the dollar was at 1.1425 Swiss francs from 1.1624 Swiss francs Monday.

#14

Trade Spats, Visas to Top EU Talks

By Nikolaus von Twickel

Moscow Times, February 4, 2009

European Commission President Jose Manuel Barroso and a team of key commissioners will hold difficult talks in Moscow this week over old and new trade disputes and a new visa feud, diplomats said Tuesday.

Ties with Brussels have worsened considerably after the Ukraine gas war last month, and European lawmakers said they expected some plain talk about Russia's reliability as an energy provider, especially since Moscow's position has weakened because of the deepening economic crisis.

Barroso and nine commissioners will meet on Friday with their Russian counterparts, including Prime Minister Vladimir Putin and President Dmitry Medvedev, Marc Franco, the head of the EU's delegation in Moscow, said Tuesday.

The visit is the first in this format since 2004 and was originally planned for last summer but postponed because of the August war in Georgia.

But while the political dispute over the Georgia conflict has become somewhat muted, foreign investors have encountered vexing new tariffs and bureaucratic problems.

The Federal Migration Service late last month ended a policy of issuing work permits and visas to foreigners in one procedure, requiring companies to engage in extra rounds of tedious application work.

Calls to the migration service went unanswered Tuesday, but Alexei Filippenkov, the director of the Visa Delight agency, confirmed the change. "They ended the 'one window' policy for visas and work permits, so now you have to go to at least two departments," he said.

He said he suspected recent management changes at the migration service to be the reason for the change. "New department heads want to follow the law more strictly," he said.

Franco said that regardless of the reason, the issue would feature in the talks between Barroso and Putin. "It is important that this will be raised at the highest level," he said, speaking at a conference with the Association of European Business.

Also, investors are angered about a road charge for foreign trucks that came into effect this week. Diplomats said the charge of 60,000 rubles (\$1,700) per year, or 400 rubles per day, is discriminatory because it is levied on European-registered vehicles but not on Russian ones.

The government has said the fee will only apply to trucks from countries that charge Russian trucks, but European officials point out that EU member states with similar tolls, like Germany, apply them on all trucks regardless if they are domestic or foreign.

Franco also voiced concern about a lack of progress in negotiations over Russia's membership in the World Trade Organization. He said recent Russian hikes in tariffs for timber exports and car imports had complicated negotiations.

Putin announced in the fall that the last round of hikes for timber exports would be put off temporarily, but Franco said "the tariffs are still there."

He said the lack of progress on WTO membership bodes ill for negotiations on a new partnership and cooperation agreement between Moscow and the EU. While negotiations on the agreement's political aspects were going quite well, it will be very hard to have a meaningful discussion on trade as long as Russia remains outside the WTO, Franco said.

Moscow has been negotiating to join the Geneva-based trade body for more than 15 years, but tariff disputes and other issues have delayed talks.

"The message we are receiving is that Russia is not very clear yet as to whether it wants to join or not, and this is possibly because of the [economic] crisis," a senior EU diplomat said Tuesday under condition of anonymity because he was not authorized to speak about the matter.

Agriculture Minister Alexei Gordeyev said last month that the country should ascend to the WTO in 2009. Yet officials have stressed that Moscow would only join if it deemed the conditions satisfactory.

Energy policy will also be high on Barroso's agenda Friday after last month's suspension of Russian gas supplies left millions without heating in eastern EU member states.

Some European lawmakers voiced concern that the commissioners might be too soft on the issue. "We need a serious dialogue that includes critical issues such as Russia's reliability as a natural gas provider," Alexander Lambsdorff, a deputy in the European Parliament for the German Free Democrats, said by telephone from Brussels.

But Frazer Cameron, head of the EU-Russia Center, a Brussels-based think tank, said the Europeans would probably make a tough showing. "There will be some plain speaking because energy security is such an important subject," he said by telephone.

He said EU leaders would be more cautious than at previous meetings. "They recognize that the policy needs to be based on the realities and that illusions about Medvedev's presidency leading to a more open and liberal Russia have not materialized," he said.

Moscow, on the other hand, can no longer afford to maintain its blustering foreign policy because of the effects of the economic crisis, he said.

There is considerable bickering in the EU about how to best diversify energy imports.

Many governments have thrown their weight behind the proposed Nabucco pipeline that would carry gas from Iran and the Caspian basin to Europe, bypassing Russia.

But some see the \$13 billion project threatened by Moscow's plans to build the Nord Stream and South Stream pipelines, not least because Russia might be the only viable source for gas to fill Nabucco.

Poland, the Baltic and some Scandinavian states heavily oppose Nord Stream, which would run under the Baltic Sea and is supported by Germany and Gazprom.

The Czech presidency of the European Union will use a May 21-22 summit with Russia to discuss energy security, Czech Ambassador Miroslav Kostelka told the same conference Tuesday.

Ahead of the May summit, a preliminary meeting will be held at the ministerial level this month, followed by human rights consultations in March, Kostelka said.

#15

A Russia united by anti-westernism

By John Thornhill

Financial Times, February 4, 2009

In its recent disputes with Georgia and Ukraine, Russia has been crashing around like a bear in a china shop. As a result, the west has been hyperventilating about the dangers of Russia's resurgence and a new cold war. But as the global financial crisis and collapsing commodity prices shake Russia's economy and strain its political system, the west may soon be worrying again about the country's weaknesses rather than its strengths.

Just as economic booms amplify a country's assets, so busts magnify their frailties. This crisis is rapidly exposing the design flaws in Vladimir Putin's project: the failure to create impartial state institutions; the elimination of constitutional checks and balances; and a potentially brittle social compact dependent on the Kremlin delivering the economic goods. In such dangerous times it is all the more urgent for the west and Russia to devise new rules of engagement.

First, though, the west must acknowledge it has "lost" Russia and try to understand why. The hopes of the early 1990s that Russia would evolve into an instinctively pro-western partner have evaporated. Opinion polls show anti-western feelings are now deeply rooted in Russian society, irrespective of age, geography or income. Like much of the Muslim world, Russia feels humiliated by the west. It is determined to pursue a separate destiny.

Undoubtedly, the west has contributed to Russia's anti-westernism. In the 1990s the west was guilty of doing both too little and too much to help post-Soviet Russia. It did not provide enough financial assistance to transform the Russian economy. Yet the International Monetary Fund, unfairly entrusted with managing the west's relationship with Russia, was heavily implicated in the economic misery of the 1990s - even if that misery was inevitable given the ruination of the Soviet economy and low commodity prices. "We have twice tried to take western theories and apply them in Russia: Marxism and liberalism. We must rely on our own thinking and values now," says Andrei Klimov, a parliamentary deputy.

Nato's embrace of ex-Warsaw Pact countries (contrary to earlier assurances given to Soviet president Mikhail Gorbachev), the western military alliance's bombing of Serbia in 1999 and the subsequent recognition of Kosovo's independence have also antagonised Russia. Worse, the west gave the impression it did not care.

Yet during his eight-year presidency Mr Putin deliberately stoked anti-western sentiments for his own advantage. Rejecting western democratic values meant the Russian leadership could ignore any transparency or accountability. Instead, the Kremlin has tried to define a separate Russian identity largely in opposition to the west. Ideologues have invented an autocratic version of "sovereign democracy" even if - the Kremlin's critics claim - sovereign democracy is to democracy what electric chair is to chair.

But the third reason for Russia's anti-westernism is perhaps more accidental, the indirect political consequences of the high oil price and fast economic growth. Sergei Guriev, head of the New Economic School in Moscow and co-author of a paper on Russia's attitudes to the west, suggests that cause and correlation have been confused. "There is a sense that Gorbachev and Yeltsin integrated with the west and failed. Putin was anti-western and worked well. By being anti-western, it seems, you live better," he says. "But this is an attribution error."

What lessons will Russians draw from the current crisis? Will they conclude that the west has "infected" Russia and retreat into isolationism? Or will they realise that Russia's fate is inextricably tied to the world economy and engage more fully? Surprisingly perhaps, there are signs that the leadership thinks the latter. Russia's heavy-handed response to Georgia alarmed foreign investors, accelerating a capital outflow that has undermined the

rouble and depleted foreign currency reserves. By temporarily shutting off gas to Europe (even if Moscow still blames Kiev), Russia has alienated even traditional allies, such as Germany and Bulgaria. This has perhaps prompted a new realism in Russia about its vulnerabilities, which could lead to a more positive dialogue with the west. According to Yegor Gaidar, former prime minister: "The lower the reserves the higher the quality of the decision-making process."

At some point, the new US administration will engage Moscow on security issues such as missile defence and Nato enlargement. But meanwhile the European Union is right to take the lead on reworking economic and political ties. The EU intermediated between Russia and Georgia. It also helped broker a gas deal between Moscow and Kiev. As Russia's biggest gas customer and trading partner, the EU has no alternative but to engage. Jose Manuel Barroso, EU Commission president, is leading a delegation to Moscow this week to talk about energy, trade and investment.

Many Russians scorn the EU as a strange animal they do not understand (they are not alone in that). In their view, the EU is overly political, cumbersome and obsessed with process. But that process has its advantages too. It leads to a robust and transparent debate between the EU's 27 members that ultimately leads to a common approach. Britain, Poland and the Baltic states argue that the EU must diversify its energy supplies. Germany, France and Italy suggest it would be folly to isolate Russia.

Russia's leaders say they want a multi-polar world. The EU is its embodiment in all its maddening - but often useful - complexity.

#16

President Obama seeks Russia deal to slash nuclear weapons

By Tim Reid

Times (UK), February 4, 2009

President Obama will convene the most ambitious arms reduction talks with Russia for a generation, aiming to slash each country's stockpile of nuclear weapons by 80 per cent.

The radical treaty would cut the number of nuclear warheads to 1,000 each, The Times has learnt. Key to the initiative is a review of the Bush Administration's plan for a US missile defence shield in Eastern Europe, a project fiercely opposed by Moscow.

Mr Obama is to establish a non-proliferation office at the White House to oversee the talks, expected to be headed by Gary Samore, a non-proliferation negotiator in the Clinton Administration. The talks will be driven by Hillary Clinton's State Department.

No final decision on the defence shield has been taken by Mr Obama. Yet merely delaying the placement of US missiles in Poland and a radar station in the Czech Republic - which if deployed would cost the US \$4 billion annually - removes what has been a major impediment to Russian co-operation on arms reduction.

Any agreement would put pressure on Britain, which has 160 nuclear warheads, and other nuclear powers to reduce their stockpiles.

Mr Obama has pledged to put nuclear weapons reduction at the heart of his presidency and his first move will be to reopen talks with Moscow to replace the 1991 US-Soviet Strategic Arms Reduction Treaty (Start), which expires in December. Under that pact, the two countries have cut their respective stockpiles from roughly 10,000 to 5,000.

"We are going to re-engage Russia in a more traditional, legally binding arms reduction process," an official from the Administration said. "We are prepared to engage in a broader dialogue with the Russians over issues of concern to them. Nobody would be surprised if the number reduced to the 1,000 mark for the post-Start treaty."

Efforts to revive the Start talks were fitful under Mr Bush and complicated by his insistence on building a missile defence shield. "If Obama proceeds down this route, this will be a major departure," one Republican said. "But there will be trouble in Congress."

The plan is also complicated by the nuclear ambitions of Iran, which launched its first satellite into space yesterday, and North Korea, which is preparing to test a long-range ballistic missile capable of striking the US.

Mr Obama views the reduction of arms by the US and Russia as critical to efforts to persuade countries such as Iran not to develop the Bomb.

#17

**Kyrgyzstan moves to shut key US base
AFP, February 4, 2009**

The Kyrgyz government on Wednesday approved the closure of a US air base on its territory, hastening the end of a vital supply route for NATO forces in Afghanistan.

Kyrgyz President Kurmanbek Bakiyev had announced in Moscow a day earlier that his government had decided to shut down the Manas air base, whose location deep in former Soviet territory has annoyed Russia.

The government then rapidly approved a bill ordering the closure of the Manas base outside the capital Bishkek and would now submit the text to parliament, government spokesman Marat Kydyraliev said.

The bill "is about the cancellation of the agreement with the United States over the presence in Kyrgyzstan of the American air base," he told AFP.

He added that the parliament was expected to debate the bill on Thursday.

But the US Embassy in Bishkek said that it had not received any notification that Bishkek was ordering the closure of the Manas air base.

"Discussions will continue," the embassy said in a statement. "We have a broad range of programs and interests we will continue to pursue with the government and people of Kyrgyzstan."

The base had been set up to assist coalition forces fighting to oust the Taliban from Afghanistan in the wake of the September 11, 2001 attacks but Bishkek has expressed frustration it had continued to exist so long.

"Eight years has passed since the agreement was signed. Over that period the threat that existed has been removed. This is one of the fundamental reasons for the cancellation of the agreement," the Kyrgyz government said.

According to the text of the original agreement, Kyrgyzstan must give the United States six months to shut down the base after informing of its closure.

On his visit to Russia, Bakiyev announced the US base would be closed as he was promised more than two billion dollars in loans and aid from Moscow to assist his nation struggling in the face of the global economic crisis.

Neither Russian President Dmitry Medvedev nor the Kyrgyz leader publicly linked the base's closure to the aid and the Russian leader stressed in the Kremlin the issue was Kyrgyzstan's domestic affair.

Observers say, however, that Russia had made it clear that its financial assistance would come in return for the base's closure.

After the Kremlin talks, Bakiyev complained that the United States had been less than forthcoming in giving aid in compensation for Bishkek's hosting of the base.

An increasingly assertive Russia, which has its own military base in Kyrgyzstan, has been annoyed by the presence of a US military base deep in its former Soviet backyard. The base is home to more than 1,000 US personnel.

Alexei Malashenko, a Central Asia expert at the Carnegie Moscow Centre, questioned Bakiyev's readiness to shut down the base, suggesting he was acting under pressure to ensure the best possible deal for his impoverished nation.

"Bakiyev wants to have his cake and eat it too," said

Russian officials also emphasized that a final decision on the aid to Kyrgyzstan had yet to be made.

"Terms for the main loan have not been agreed upon so far," Ria-Novosti news agency quoted a source in the Russian finance ministry as saying.

Some expressed confidence that Washington would manage to convince Bakiyev to backtrack on his pledge.

Nur Omarov, a Bishkek-based political analyst, cited sources as saying representatives of the US State Department were expected in Bishkek later this week.

"Bakiyev will have to make a difficult choice between Russia, the United States and China. Because China, just like Russia, is also interested in seeing this base shut down."

#18

Afghan Supplies, Russian Demands

By George Friedman

New York Times, February 4, 2009

George Friedman is the chief executive of Stratfor, a global intelligence company, and the author of "The Next 100 Years."

Washington - THE Taliban didn't wait long to test Barack Obama. On Tuesday, militants bombed a bridge in the Khyber Pass region in Pakistan, cutting off supply lines to NATO forces in neighboring Afghanistan. This poses a serious problem for President Obama, who has said that he wants more American troops in Afghanistan. But troops need supplies.

The attack was another reminder that the supply line through Pakistan is extremely vulnerable. This means that the Obama administration might have to consider alternative routes through Russia or other parts of the former Soviet Union. But the Russians were unhappy about the Bush administration's willingness to include Ukraine and Georgia in NATO, and they will probably not want to help with American supply lines unless Mr. Obama changes that position.

In addition to our guaranteeing that NATO will not expand further, the Russians seem to want the United States to promise that NATO forces will not be based in the Baltic countries, and that the United States will not try to dominate Central Asia. In other words, Russia wants the United States to pledge that it will respect the Russian sphere of influence in the former Soviet Union. They will probably want this guarantee to be very public, as a signal to the region -- and the Europeans -- of Russian dominance. This is one guarantee that Mr. Obama will not want to give.

There is also no certainty that countries in the Russian sphere of influence, like Kazakhstan and Turkmenistan, would agree to let the United States use these routes without Russian permission.

Here is where Mr. Obama could use some European help. Unfortunately, that's not likely to come soon. Many Europeans, particularly Germans, rely on Russia's natural gas. In January, the Russians cut natural gas shipments to Ukraine. As much of the Russian natural gas that goes to Europe runs through Ukraine, the cutoff affected European supplies -- in the middle of winter. Europeans can't really afford to irritate the Russians, and it's hard to imagine that the Germans will confront them over supply routes to Afghanistan. Pakistan, unfortunately, is hardly a reliable partner either.

So how can Mr. Obama reconcile the two goals of strengthening the American presence in Afghanistan while curbing Russian expansionism? The answer is to rely less on troops, and more on covert operations like the C.I.A. Covert operators are far more useful for the actual war that we are fighting (and they can carry their supplies on their backs). The primary American interest in Afghanistan, after all, is preventing terrorist groups from using it as a base for training and planning major attacks. Increasing the number of conventional troops will not help with this mission.

What we need in Afghanistan is intelligence, and special operations forces and air power that can take advantage of that intelligence. Fighting terrorists requires identifying and destroying small, dispersed targets. We would need far fewer forces for such a mission than the number that are now deployed. They would make us much less dependent on supply deliveries, which would help solve our Russian problem.

Winding down the conventional war while increasing the covert one will demand a cultural change in Washington. The Obama administration seems to prefer the conventional route of putting more troops on the ground. That would be a feasible strategy if supply lines to Afghanistan were secure. The loss of that bridge yesterday demonstrates very clearly that they are not.

#19

Russia, Allies Offer to Assist U.S. in Afghanistan

By Lucian Kim and Ken Fireman

Bloomberg, February 4, 2009

Russia and four former Soviet republics offered to help the U.S. campaign in Afghanistan even as one, Kyrgyzstan, moved forward on a decision to cut off American access to an air base used for war supplies.

Russian President Dmitry Medvedev said the five countries, including the Central Asian nations of Kyrgyzstan, Kazakhstan and Tajikistan, are ready for "full-fledged and comprehensive cooperation" with NATO forces in the region. He spoke on state broadcaster Vesti-24 today.

At the same time, Kyrgyz Security Council Secretary Adukhan Madumarov said on the same channel that the U.S. air base at the Manas airport near Bishkek must cease operations within 180 days. The base would be crucial to President Barack Obama's plans for a buildup of troops to defeat the Taliban in Afghanistan.

The Kyrgyz Parliament will likely vote Feb. 6 on legislation formally renouncing the agreement allowing U.S. operations at the base, the Interfax news agency reported from Bishkek.

Andranik Migranyan, a Russian institute director with ties to senior officials in Moscow, said Russian cooperation on Afghanistan may be linked to progress on resolving differences over issues such as missile defense and NATO expansion.

"I am absolutely sure the Russian side is going to cooperate," said Migranyan, director of the New York-based Institute for Democracy and Cooperation, in an interview. "But Russia needs some security guarantees. Not guarantees about dominance, but about its own security."

Kyrgyz President Kurmanbek Bakiyev disclosed the move to close the base in Moscow yesterday after receiving a Russian pledge for more than \$2 billion in economic assistance.

No Notification

The U.S. hasn't received any notification from Kyrgyz officials about a base closure and still hopes to negotiate a way to preserve American access, spokesmen for the State and Defense departments said. "We're having discussions with the Kyrgyz about this and we'll continue to do so," said State Department spokesman Robert Wood.

There may be basis for the hope of keeping the base accessible to the U.S., said an expert on the region, Stephen Larrabee of the RAND Corp. policy research organization in Arlington, Virginia.

"It is not clear if this is a final and formal decision or whether they're playing hardball to try to get more money out of the United States," said Larrabee, who is head of European security at RAND. "It's just not clear whether the game is over."

Afghan View

Afghanistan's ambassador to the U.S., Said Jawad, said that based on recent history he thought a solution could be found to preserve U.S. access to the base.

"In the past we have had these ups and downs with some of the northern neighbors, but always a solution was found," Jawad said in an interview yesterday. "Usually they ask for more money or some kind of concession. In the end they will come forward."

Russia's role and motive in the base closure are also open to interpretation, said Larrabee and Paul Saunders, a Russia expert at the Nixon Center in Washington.

Saunders said that, while Russian pressure was a factor in the Kyrgyz move to close the base, Kyrgyzstan and other Central Asian governments have grown increasingly wary of a U.S. presence in their region.

Russian Deputy Foreign Minister Grigory Karasin told reporters today that the base closure was Kyrgyzstan's independent decision and not connected to the Russian aid package.

Central Asia

Saunders said the main message Russian leaders are trying to deliver is that they insist on playing a brokering role between the U.S. and the Central Asian nations.

"The message is that they really want us to take into account their interests in that part of the world, and we're going to need to deal with them," he said. "We can't just go directly to all these governments and get what we want if they're not involved."

Jawad agreed, saying Russia was concerned about Western influence in Central Asia. "Russia is trying to push some of our northern neighbors not to be too cooperative with the U.S. and NATO," he said.

Larrabee said Medvedev's statement about cooperation on Afghanistan was an effort to "keep their options open with the United States and see whether some kind of arrangement can be worked out."

He said Russian leaders may be prepared to offer help, such as the use of their airspace to transport supplies, in return for U.S. concessions on issues of importance to them. Such issues include Russian resistance to U.S. plans for a missile defense system based in Eastern Europe and support of NATO membership for Ukraine and Georgia, he said.

Russian Leaders

Migranyan agreed with that interpretation, saying Russian leaders "would like to discuss with the United States in a broader context the problem of cooperation."

Migranyan's institute was established to seek improved U.S.-Russian relations. While it isn't directly connected to the Russian government, he has what he described as "very good relations with our authorities." He said he just returned from a trip to Moscow, during which he consulted with several senior Russian officials.

Karasin, speaking to reporters on a conference call, said Russians are "interested in the success of the anti-terrorist coalition in Afghanistan because it's our common concern."

Russia and its partners in the so-called Collective Security Treaty Organization agreed to form a rapid-reaction force at their meeting in Moscow today, Vesti-24 reported. Medvedev said the unit won't be any worse than equivalent forces belonging to the North Atlantic Treaty Organization.

A bruising 10-year war in Afghanistan helped lead to the collapse of the Soviet Union in 1991 and gave rise to Islamic militants such as Osama bin Laden, who resisted the Russian invasion.

#20

Russia tightens grip on allies Reuters, February 4, 2009

Russia announced a financial rescue fund for a group of ex-Soviet allies and won their agreement on Wednesday to form a military rapid reaction force it said would match NATO standards.

Moscow's latest moves to reassert influence in the region came as one of the aid recipients, Kyrgyzstan, announced that the United States must close a key air base on its soil which supports U.S. operations in nearby Afghanistan.

Russian President Dmitry Medvedev said the new force, to which Russia would contribute an elite division and a brigade, should be able "to rebuff military aggression," fight international terrorism, drug trafficking and organised crime, and handle natural and technological disasters.

"These are going to be quite formidable units," he said. "According to their combat potential, they must be no weaker than similar forces of the North Atlantic alliance (NATO)."

"You must understand the scale (of the plan)," he said. "This force will be equipped with the last word in military technology."

The moves showed Russia's determination to assert its economic and military influence despite the impact on its own economy of the global crisis. Its markets have lost three-quarters of their value and its gold and currency reserves have plummeted to under \$390 billion (270 billion pounds) from more than \$600 billion last summer.

But Russian leaders insist the economy is still strong enough to weather the storm and help its allies.

"To create the anti-crisis fund, which is worth approximately \$10 billion, Russia will contribute \$7.5 billion, Kazakhstan \$1 billion," Belarussian President Alexander Lukashenko said at a summit held in the Kremlin. The share of other nations has yet to be established.

Medvedev said funds would be distributed as repayable loans to "countries finding themselves in a difficult situation."

They are available to members of the economic grouping known as EVRAZES, which brings together Russia, Belarus and the Central Asian states of Kazakhstan, Kyrgyzstan and Tajikistan.

The same nations, together with Uzbekistan and Armenia, form the Collective Security Treaty Organisation, whose spokesman said the rapid reaction force could number more than 10,000 soldiers.

On Tuesday, Russia also agreed to allocate a \$1 billion loan tranche to Belarus and said it would also consider Minsk's request for another 100 billion roubles (1.9 billion pounds).

That day, Belarus agreed to form a joint air defence system with Russia, whose relations with NATO have reached post-Cold War lows in the past year.

#21

Dispute Mounts Over Key U.S. Base in Kyrgyzstan

By Ellen Barry and Michael Schwartz

New York Times, February 5, 2009

A day after the president of Kyrgyzstan announced plans to close a key United States military base in his country, potentially jeopardizing NATO supply lines to Afghanistan, American diplomats and military officials in the region said Wednesday the base was still operating and negotiations on its future were continuing.

But the Kyrgyz government said it has already approved a law to end its cooperation with Washington, and its Parliament will vote on it Friday.

A statement released Wednesday argued that the American mission in Afghanistan has outlasted its original goals, saying that the terrorist threat "has been removed," and that NATO air strikes in Afghanistan have caused an unacceptable rise in civilian casualties.

President Kurmanbek Bakiyev announced the decision to close the facility on Tuesday during a visit to Moscow to seek financial support. The closure would be a victory for Russian leaders, who saw the base as an American attempt to assert control in the region. And by eliminating a vital refueling and transport point for NATO forces, it would present a blunt challenge to President Obama's highest foreign policy priority: the war in Afghanistan.

In a statement on Wednesday, the United States Embassy in Bishkek, the capital of Kyrgyzstan, said it had not received a formal notification of the decision, and that discussions with Kyrgyz authorities are continuing. If Parliament approves the law, Kyrgyz authorities must give Washington 180 days' notice before closing the base, according to the original treaty, which was signed in 2001 by Mr. Bakiyev's predecessor.

The move could disrupt a fragile detente between Moscow and Washington that emerged after President Obama took office. Afghanistan has been seen as a jumping-off point for cooperation between the United States and Russia, which is wary of the spread of Islamic extremism.

"It's an extremely serious point, because the premise of American policy is that there is a common interest here," said Stephen Sestanovich, a senior fellow at the Council on Foreign Relations, which is based in New York. "If they're trying to tell us otherwise, that message will get through."

The question of supply lines to NATO and American forces in Afghanistan has become increasingly acute with attacks on the centuries-old route from Pakistan over the Khyber Pass.

On Tuesday, Taliban militants blew up a bridge, forcing the suspension of road shipments. According to The Associated Press on Wednesday, militants then torched 10 trucks stranded in Pakistan as a result of the destruction of the bridge.

The uncertainties surrounding the supply lines have added urgency to American and NATO efforts to secure alternative supply lines through Central Asia.

This is not the first time United States officials have rushed to forestall expulsion from the base at Manas. During negotiations this summer, State Department spokesman Sean McCormack said the U.S. would pay more than \$150 million in assistance and compensation for the base this year. At the time, a government

statement said the United States had contributed more than \$850 million to support democracy, economic development, aid projects and security in the Kyrgyz Republic since its independence from the Soviet Union.

At a news conference in Moscow on Tuesday, Mr. Bakiyev complained about a 2006 incident in which a U.S. serviceman had shot a Kyrgyz truck driver on the base, and said Washington had ignored his requests for more money.

“Eight years have passed,” he said. “We have repeatedly raised with the United States the matter of economic compensation for the existence of the base in Kyrgyzstan, but we have not been understood.”

Mr. Bakiyev arrived in Moscow under intense pressure to ease economic troubles in Kyrgyzstan, which is heavily in debt to Russia and dependent on remittances from migrant workers. President Dmitri A. Medvedev said Russia would extend a \$2 billion loan and \$150 million in aid to Kyrgyzstan.

Andronik Migranyan, an analyst at a Kremlin-backed think-tank based in New York, said the United States presence in Central Asia was supposed to be temporary. If the American side makes concessions — on missile defense and NATO enlargement, in particular — Russia may be willing to support American aims in Afghanistan, he said.

“This needs to be viewed from a wider context,” said Mr. Migranyan, of the Institute of Democracy and Cooperation. “The American government is involved in many things that Russia does not like, and this is something of a bargaining chip.”

But others saw it as a blunt projection of Russian power in its neighboring countries — and in the world.

“The fact that a rather little country has decided to take the payoff is intriguing,” said Paul Quinn-Judge, a Central Asia expert with the International Crisis Group, a nongovernmental organization that seeks to resolve deadly conflicts. “But what is really striking is that the Russians seem to be at this point tightening the screws and trying to get D.C.’s attention in the nastiest possible way.”

Kyrgyzstan’s close relations with the United States have long unsettled Russia and China, which both have military interests in the region.

In 2005, the country appeared to move further into Washington’s orbit after a popular uprising, supported in part by the United States, toppled the corrupt and increasingly authoritarian government of Askar A. Akayev, sending the president fleeing across the border. The bloodless coup was part of a wave of popular revolts, known as colored revolutions, that remain a source of anger and suspicion among Russian officials, who consider them Washington-hatched schemes meant to undermine Russia’s influence in the region.

Similar uprisings in Georgia and Ukraine ushered in governments that quickly sought to shut out Moscow’s influence in favor of stronger ties with the West. Kyrgyzstan, however, has often sought to strike a balance among Washington, Moscow and Beijing. The government has allowed Russia to maintain a military base on Kyrgyz soil and is a member, along with China, Russia and three other Central Asian countries, of the Shanghai Cooperation Organization, a security alliance.

Upon his election in 2005, Mr. Bakiyev vowed to pursue an independent foreign policy, saying that Kyrgyzstan would not be “a place for the fulfillment of someone else’s geopolitical interests.”

#22

Russian Nationalist Convicted of Extremism for Denigrating Jews as Well as Chechens

By Paul Goble

Window on Eurasia, February 5, 2009

A Chelyabinsk court convicted an activist of the Russian National Movement of extremism for preparing leaflets intended to promote "hatred toward persons of Chechen and Jewish nationality," an indication of both the

increasingly ugly tone of the nationalists and the ease with which their hatred toward one group can rapidly spread to another.

The Magnitogorsk resident, the New Region news agency reported, was sentenced under the terms of paragraph 282 of the Russian criminal code, which prohibits "the organization of an extremist community," to serve seven months of corrective labor. The authorities also announced that they had destroyed the leaflets as well (www.nr2.ru/chel/218838.html).

This is one of the few bright spots in what has become, especially since the onset of the economic crisis last fall, an otherwise almost unrelievably bleak picture of a rising tide of increasingly violent attacks by increasingly well-organized Russian nationalist and xenophobic groups against their opponents, human rights monitors say.

According to the Moscow Human Rights Bureau, "since the start [of 2009], the activity of skinheads has grown markedly," and "cases of murder on the basis of racial hatred have increased." The bureau recorded skinhead attacks during January alone which had left 16 people dead, a far higher mortality rate than in the past (www.newizv.ru/news/2009-02-04/105212/).

Aleksandr Verkhovsky, the head of the SOVA Center which also monitors such attacks, told "Novyye izvestiya" that "it is easy to explain this trend if you take into consideration that now nationalist groups have become more organized," with a clear hierarchy, an older and more experienced membership, and a more clearly articulated agenda of hatred.

The Moscow Human Rights Bureau for its part said that it has discerned another distressing development, the use by nationalist organizations of what may be called "the Kondopoga technique," one that takes its name from ethnic clashes in that Karelian city in 2006 and involves exploiting the smallest clash to promote more violence.

That trend and the glee which some nationalists and xenophobic extremists have expressed over the high profile murders of attorney Stanislav Markelov and journalist Anastasia Baburova have prompted more and more journalists and experts to try to explain why skinheads, Neo-Nazis and fascists are now on the rise in Russia.

One of the most thoughtful discussions of this troubling trend, based on an examination of recent court cases involving such people and the explanations they and their attorneys have given for why such people do what they do is offered by Yekaterina Savina in the current issue of "New Times" (newtimes.ru/magazine/2009/issue100/doc-60563.html).

Among the reasons people in these cases offer for such actions, Savina says, is the impact of what the celebration of violence in the media, a desire to have Russia stand up again and to beat its enemies in order to show that it has, and unfocussed revenge for the suffering that particular individuals and the Russian nation as a whole have undergone since 1991.

The "New Times" journalist also surveyed the expert community in her search for an explanation. SOVA's Verkhovsky told her that on the basis of his experience, he was convinced that young people were engaged in such violence "not because of poverty and not because they identify themselves or are identified by others as marginal members of society."

Instead, he continued, most young people – and the skinheads are disproportionately in their teens and 20s -- who "commit crimes on the basis of nationalism have travelled along a certain mental path and have read a particular kind of literature. As a result, they are able not only to beat someone to death but also to explain why they have beaten him.

But another expert, Moscow psychologist Tatyana Mukha offered an alternative explanation. In her view, young people who commit such crimes do so out of a sense of defenselessness and alienation. "Young people need the possibility of self-assertion; they do not want to be victims."

"And the simplest way for them not to be a victim is to become an executioner." In addition, she pointed out, "youths relate to crimes in a different way than adults do. They have more aggressive tendencies, are less prone to reflecting before acting, and have a highly developed sense of being all-powerful" regardless of the situation they find themselves in.

Such young people, Mukha argued, "choose as their victims representatives of other nationalities and races [not on the basis of some elaborate political doctrine but] because it is "easier to define who is a member of their own group and who is an alien, and they are most afraid of those whom they do not understand."

However, that may be, there is now more such violence in Russia than there was in the past, and the problems economic, demographic and political the people of that country now face make it likely that this frightening trend will continue, all the more so because the Russian prosecutors, and courts seem incapable of dealing with all but a tiny fraction of the violations.

Indeed, most xenophobic crimes go unsolved, either because police and prosecutors are not all that interested in moving against such groups or because members of these groups have learned how to act in ways that make it difficult if not impossible for the government to bring charges or gain convictions.

And that makes one avenue those who are victims of such violence either by individuals or Russian officialdom especially important. Today, "Argumenty nedeli" reported that Russians are increasingly turning to the European Human Rights Court. Indeed, in 2008, they filed some 27,246 appeals there (www.argumenti.ru/publications/8908).

That Russian number constituted 28 percent of the total of the Strasbourg court's caseload and was more than twice the number from any other country. (Appellants from Turkey constituted 11.4 percent of the total, those from Romania 9.1 percent and those from Ukraine 8.5 percent.)

The court has been supportive of those Russians who have lodged appeals with it, backing the appellants against the position of the Russian authorities 233 times out of 245 cases over the last year.

But that in itself calls attention to the paucity of positive decisions by Russian courts like the one cited above and the threats that unfortunately confront residents of Russia.

#23

Medvedev warns over unrest amid economic crisis AFP, February 6, 2009

President Dmitry Medvedev on Friday urged Russia's security establishment to be on its guard to quash any disorder arising from the global economic crisis.

At a gathering of security services chiefs, Medvedev warned of a heightened risk in the unfolding crisis and alluded to already pronounced unrest in Russia's historically restive North Caucasus.

"We are falling under the influence of the global crisis -- a worsening problem of unemployment and other social issues," Medvedev said.

"At such a time one encounters those who wish to speculate, to use the situation. So an already complicated situation must not be allowed to deteriorate."

"The emphasis should be on prevention of illegal activity by so-called high-risk people: those with previous convictions, drug addicts, alcoholics," Medvedev said.

He also warned that Russia faces a "systemic threat" from extremism -- apparently referring to the North Caucasus where security forces killed three alleged Islamist insurgents on Thursday in the Dagestan region.

"The phenomenon of extremism is a cause for great alarm... This type of legal violation inflicts colossal damage and is a systemic threat to national security," he said.

Security forces should also do more to combat crime by illegal labour migrants from neighbouring states, Medvedev added.

His comments followed signs that the authorities are concerned the economic crisis could cause unrest in the world's largest country, where many residents still face grinding poverty despite strong economic growth in recent years.

Analysts remain skeptical about the threat of serious unrest related to the economic crisis -- even as Russia continues to face insurgency in several mainly Muslim parts of the North Caucasus.

The last weekend saw anti-government demonstrations in several Russian cities, with modest numbers turning out in Moscow but about 3,000 attending a demonstration in Vladivostok organised by the Communist Party.

This week has seen confirmation of Russia's deepening economic problems, with a presidential aide saying on Thursday that this year's budget deficit would equal at least six percent of GDP, following surpluses in recent years.

The government was also stung by a downgrade by the ratings agency Fitch, seen as a rebuke for a speedy decline in Russia's foreign currency reserves.

On Thursday a Russian newspaper, Nezavisimaya Gazeta, said the authorities had cancelled plans for lay-offs in the police in response to the possibility of unrest.

The deputy head of parliament's security committee, Gennady Gudkov, was quoted as saying that a plan to "optimize" the size of some police units had been suspended.

Russian authorities have generally taken a hard line against anti-government demonstrations, often beating and jailing protesters and prompting protests from human rights campaigners and sometimes Western governments.

Meanwhile, Russian Interior Minister Rashid Nurgaliyev said Friday there had been a five percent increase in organised crime in 2008, adding that a total of 155 mafia-style murder cases had been solved.

"Criminal groups present a serious danger for society and are implicated in the trafficking of illegal immigrants, arms trafficking and contraband," the Interfax news agency quoted him as saying.

#24

Russia Offers Kind Words, But Its Fist Is Clenched

By Ellen Barry, Elisabeth Bumiller

New York Times, February 6, 2009

Talk about mixed messages. Russia's leaders this week could not say enough good things about President Obama. His statements on Afghanistan were "encouraging," his arms control proposals were "a fresh signal," and plans for talks with Iran were "encouraging signals."

But the compliments came with the geopolitical equivalent of a punch in the nose.

On Tuesday, in Moscow to accept \$2.15 billion in Russian aid, Kyrgyzstan's president announced a decision to close an air base in Manas that the United States uses. That move poses a formidable obstacle to Mr. Obama's biggest foreign policy aim, prosecuting the Afghanistan war.

Maybe this should not have come as a surprise. Starting with the bristling speech by President Dmitri A. Medvedev hours after Mr. Obama was elected, the signals from Moscow to the new American administration have veered from hostile to conciliatory and back. Moscow is clearly exploring the idea of cooperation. But it also insists, in arm-twisting fashion, that Mr. Obama make Russia's interests a priority.

"It's not clear to me who's calling the shots or what exactly the message is," said Strobe Talbott, deputy secretary of state under President Clinton and now president of the Brookings Institution. "It's an odd way to set the table for a serious, forward-looking dialogue. The Russians claim to want a discussion."

Afghanistan has been seen as an important area for cooperation between the countries because Russia has deep worries about the spread of Islamic extremism in the region. That notion was thrown into doubt on Tuesday when the Kyrgyz president, Kurmanbek Bakiyev, announced plans to close the base, which is used to supply the military operation in Afghanistan.

Kyrgyz and Russian officials have said the move has nothing to do with the pledge of Russian aid, but Moscow has long sought to push the United States out of the bases it has leased in Central Asia. Russian comments since then have suggested that if Mr. Obama hopes to proceed with his plans to deploy as many as 30,000 more troops in Afghanistan, he will have to secure Moscow's support. That means addressing Russian complaints about issues that include American plans for missile-defense facilities in Poland and the Czech Republic and the expansion of NATO.

"In the Russian mind, there is a window of opportunity to bargain, and if we are sitting down to bargain, we better have good cards on our side of the table," said Oksana Antonenko, a senior fellow at the International Institute for Strategic Studies in London. "What they see in the best-case scenario is a deal. A bargain," she said. "It's not a partnership."

The move was startling because it occurred amid a string of signals that Moscow was willing to engage Mr. Obama.

American policy makers were encouraged by Prime Minister Vladimir V. Putin's speech at the World Economic Forum in Davos, Switzerland, in which he muted his caustic anti-American tone. Mr. Medvedev organized a candid, hourlong meeting with the editor of Novaya Gazeta, a newspaper that is critical of the Kremlin and has lost a series of employees to gangster-style killings. He also promised to rewrite an anti-treason law that had infuriated human rights activists.

In the last two weeks, Moscow announced that it was ready to open a NATO supply route to Afghanistan through Russia. And though official sources would not confirm it, an anonymous Defense Ministry official told the Interfax news service that Moscow had dropped a plan to station Iskander missiles in Kaliningrad, near the Polish border.

Then came Tuesday's announcement about the Manas air base. "This really did come out of the blue for me," said Andrew C. Kuchins, director of the Russia and Eurasia Program at the Center for Strategic and International Studies in Washington. "It is a particularly Russian tactic: it's sort of brutal, and rude, and makes it harder to achieve what you think their goal is."

Adm. Mike Mullen, the chairman of the Joint Chiefs of Staff, said in an interview on Thursday that he called his counterpart in Moscow, Gen. Nikolai Makarov, on Wednesday, but had made no headway on the base closing.

The Russians do not share Europeans' giddiness over Mr. Obama. Relations between Russia and the United States last year reached their lowest point since the Soviet Union's fall. Mr. Obama will have to deal with "the tail end of the Bush legacy," including memories of last summer's war in Georgia, said Sergei M. Rogov, director of the Institute for U.S. and Canada Studies in Moscow.

"Can you imagine, after the Georgia war, that Russia would lobby Kyrgyzstan on behalf of the United States?" he asked. He added that the decision "was not something Russia did, it was something against which Russia didn't object."

And Russian leaders are growing impatient to see concrete plans from Washington. Mr. Obama seems willing to slow the timeline on missile defense and NATO expansion, but not to shelve the projects publicly.

"The real ballgame has not started," Mr. Rogov said. "There will be tough bargaining on many issues."

It may be a mistake to look for a grand plan in statements coming out of Moscow, where major players still disagree about the benefits of a friendlier relationship and may be addressing domestic audiences.

One raw issue -- American influence in the post-Soviet sphere -- underlies the raft of policy disputes between the capitals, said Professor Angela E. Stent, who directs Russian studies at Georgetown University. Resolving it "may be impossible to do," she said, "but it has to be tried."

#25

Air base flap reflects tension over US presence in Central Asia

By Gordon Lubold and Howard LaFranchi

Christian Science Monitor February 6, 2009

The expected shuttering of a critical US airbase in Central Asia is forcing the US to come up with a Plan B just as it was to begin shipping more troops and materiel to Afghanistan.

The flap over Kyrgyzstan's move to close the Manas Air Base reflects that country's efforts to negotiate a better aid deal for itself, but also the growing tension over US presence in the region.

The president of Kyrgyzstan announced Tuesday that he would no longer allow the US to use the base at Manas, and gave the US 180 days to move out. That sent US officials scrambling to smooth over tensions but also review their options for getting troops and goods into Afghanistan.

The northern supply route is important to the US and NATO because supply routes in southern Afghanistan are often attacked by Taliban and Al Qaeda militants. On Tuesday, Taliban militants blew up a land bridge near Peshawar, Pakistan, cutting off a central supply route for US-led forces in Afghanistan. The next day, militants torched 10 supply trucks returning from Afghanistan to Pakistan.

But Pentagon officials say the US will be able to maintain operations even with the closing of the base. "While we value the relationship and the arrangements, the United States would certainly be able to continue operations in Afghanistan if we did not have that facility," said Bryan Whitman, a Pentagon spokesman on Wednesday.

"This is disruptive, not debilitating," said another military official.

The US may have other options including a supply route through Uzbekistan, for which a deal is said to be close.

The threat that the US could be shut out of the Central Asia region is not new. Concerns over US presence in the region have existed ever since the US opened Manas after its invasion of Afghanistan in 2001. But the move comes at a time when the Obama administration is preparing to announce deployments of as many as 30,000 troops and materiel over the next year.

Currently, about 15,000 people and 500 tons of cargo transit through Manas each month, Mr. Whitman said. About 1,000 troops, most of them American, but some from France and Spain, are assigned to the base. The base was also used to transport relief supplies to Pakistan after the 2005 earthquake there.

Bargaining tactic

In announcing the closing of the base, Kyrgyzstani President Kurmanbek Bakiyev indicated he did not agree with US aims in Afghanistan. And the country's prime minister said the closure of the base would not preclude nonmilitary cargo from being shipped into Afghanistan, which is landlocked.

Next week, Kyrgyzstan's parliament will vote on whether to shut down the base, but this is seen as only a formality.

US State Department officials say negotiations are continuing with Kyrgyz authorities over keeping the Manas base open a point confirmed Thursday by Kyrgyzstan's Prime Minister Igor Chudinov. But Kyrgyz officials seem determined to distance their country from what they view increasingly as a war on Islam taking place in their Central Asia neighborhood.

Mr. Bakiyev's move is an effective bargaining tactic at a time when the US is poised to make more use of the base. The Defense Department now pays about \$17 million per year for the use of Manas part of a \$150 million package of assistance to the poor former Soviet republic whose Gross Domestic Product in 2008 was \$11.66 billion.

"Is this a negotiation? With them, it's always a negotiation," says an analyst in Washington who is close to the issue and asked not to be identified. But he added that the Kyrgyzstan government is mistaken if it thinks the US will bow to pressure and try to match the estimated \$2.3 billion in aid, loan guarantees, and other assistance from Russia.

"We'll just walk away," the analyst says.

One alternative under investigation is a supply route through Uzbekistan, say US officials.

Officials in the region say a deal is close, but that route also would only be good for transporting "nonlethal" goods such as food, medicine, water, and building materials, according to demands from the Uzbek side.

The US had a military base in Uzbekistan until 2005, when the base known as "K2" was closed in retaliation for US protests of government handling of public protests. But recently, US-Uzbek relations have improved.

Russia's hand?

The problem the US faces in Kyrgyzstan stems from a broader regional tension to which the US may now be forced to pay attention. At the same time, Kyrgyzstan, a strong Russian ally, may be helping to carry Russia's water.

Russia is frustrated with the West for expanding NATO including US-supported moves in Georgia and Ukraine. It also sees the US plan to base new missiles in Poland as a threat.

Russia has insisted it has no interest in hampering US and NATO operations in Afghanistan. But the prospect of a US troop escalation in Afghanistan, and the implications that would have for the area, appear to be hitting the region even as Russia is pressing its own designs.

The US has ignored the region in general and Kyrgyzstan in particular, says the Washington analyst. "We haven't devoted the kind of attention that we should have devoted to them."