

WASHINGTON, D.C. March 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: U.S., Russia meet

Dear Friend,

As I write, the U.S. Secretary of State and Russian Foreign Minister are finishing their first face-to-face meeting, in Geneva. There is a great deal of anticipation about this meeting's outcome – maybe too much anticipation. This meeting is receiving so much attention in part because of reports of a “secret” U.S. proposal to trade the missile defense shield in Eastern Europe for greater Russian cooperation on preventing Iran from gaining a nuclear weapon. The Obama Administration, from the President on down, has denied these reports and has attempted to reassure nervous allies and friends in the region. To better understand the ramifications of today's meeting, we have included several pieces in this week's update.

The U.S.-Russia agenda covers the full range of issues, but obviously Iran, arms control issues, the global economic meltdown will be a substantial part of these Geneva discussions. Another important issue that needs to be discussed is the UN Conference on Racism (Durban II). Will Russia join the U.S. in not participating in this meeting? Also, it will be interesting to see if Secretary Clinton raises human rights and democratization issues, and what the Russian response might be.

Another issue receiving attention in our community is the recent deportation of a rabbi from Russia. It is an unfortunate situation that has caused a great deal of concern in the Russian Jewish community and among the many American ex-pats living in Russia. NCSJ is investigating the situation to determine if this was an isolated case, or if this signals longer-term implications for the Jewish community – here, and in Russia.

This week in Washington, NCSJ arranged for a meeting between Chief Rabbi of Kazakhstan Yeshaya Cohen and Jewish community representatives. Rabbi Cohen was here to discuss the state of the Kazakh Jewish community and urge support for Kazakhstan's graduation from the Jackson-Vanik amendment. During his visit he met with Members of Congress, and State Department and other government officials.

On behalf of the NCSJ leadership and staff, I want to wish you a joyous Purim holiday.

Sincerely,

A handwritten signature in black ink that reads 'Mark B. Levin'. The signature is written in a cursive, flowing style.

Mark B. Levin
Executive Director



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

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

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

1. *Soviet refusenik documents available online; Clinton set to name Posner to top rights job; Museum opening launches Sholom Aleichem commemorations; Pillay calls Durban II accusations 'unwarranted'; Italy says no to Durban II; Ukraine foreign minister sacked; 120 tons of matzo baked for Russian Jews to Pesach; Groups protest Russian textbook's portrayal of Jews; Zhirinovsky proposes end to hate speech law; Life Expectancy In Moscow Grows By Nine Years; Kanner nominated to head Russian body; Attempted Bombing at Progressive Synagogue in Ukraine; Kazakh rabbi call on U.S. to void Jackson-Vanik amendment*
Briefs, February 26-March 5, 2009
2. *U.S. Assesses Russia, Belarus, Caucasus States In Rights Report (Part 2)*
RFE/RL, February 27, 2009
3. *Ukraine Teeters as Citizens Blame Banks and Government*
By Clifford J. Levy
New York Times, March 2, 2009
4. *Latvian Premier Designate Says Budget Must Be Cut for IMF Plan*
By Aaron Eglitis
Bloomberg, February 27, 2009
5. *Russia Tries To Lure Moldova Into New Transdniester Format*
by Vlad Kulminski, Andrei Popov
RFE/RL, February 27, 2009
6. *'Elementary rights' still lacking in Russia: Medvedev*
AFP, March 1, 2009
7. *Russia Figures Prominently In Clinton's Europe Visit*
By Louise Radnofsky
Wall Street Journal, March 2, 2009
8. *Asymmetrical Expectations In Washington And Moscow*
By Andrei Tsygankov
RFE/RL, February 28, 2009
9. *Putin's Party Sweeps Regional Elections*
By Michael Schwartz
New York Times, March 3, 2009
10. *Eastern Europe Needs Our Help*
By John Kerry
Wall Street Journal, February 27, 2009

11. *Obama Offered Deal to Russia in Secret Letter*
By Peter Baker
New York Times, March 3, 2009
12. *Reported Deal With Russia on Anti-Missile Shield Draws Partisan Responses*
By John M. Donnelly
CQ Today, March 4, 2009
13. *European group to EU: Snub Durban II*
JTA, March 3, 2009
14. *EU countries oppose Muslim views on racism meeting*
By Eliane Engeler
Associated Press, March 3, 2009
15. *Deportation of rabbi in Russia alarms Jewish leaders*
By Grant Slater
JTA, March 3, 2009
16. *Medvedev: Russia needs new top people*
By Vladimir Isachenkov
AP, March 4, 2009
17. *Beware of Doing Deals With Putin*
By Garry Kasparov
Wall Street Journal, March 5, 2009
18. *No 'Grand Bargain'*
By David J. Kramer
Washington Post, March 6, 2009

#1a

Soviet refusenik documents available online JTA, March 2, 2009

A comprehensive archive of the American Soviet Jewry movement has been digitized and placed online for review by scholars and the public.

The American Jewish Historical Society has made available more than 30 years worth of records, testimonials and other material documenting the efforts of refuseniks, Soviet-era dissidents who fled the region and sought to influence policy from outside their home country.

The new, searchable database represents the culmination of a \$200,000 grant from the National Endowment for the Humanities.

The project is mainly culled from the operating records of the National Conference on Soviet Jewry, an advocacy group that is still working as NCSJ to influence policy affecting Jews in the Soviet sphere and in the Diaspora.

The database also contains individual files on refuseniks, prisoners of conscience and Jewish emigres.

The historical society is still accepting materials in the form of a Memory Bank where participants can share their recollections.

#1b

Clinton set to name Posner to top rights job

By Ron Kampeas

JTA, February 26, 2009

Hillary Clinton is set to nominate a Jewish activist who has led efforts to counter anti-Semitism as her human rights czar.

The secretary of state soon will name Michael Posner, a founder of Human Rights First, as assistant secretary for democracy, human rights and labor, Bloomberg News reported Wednesday. Posner, a lawyer, has broad legal experience in the field of human rights, helping to draft anti-torture legislation in the United States and to set up human rights tribunals in Rwanda and the former Yugoslavia.

Human Rights First is unique among the major human rights watchdogs in that it targets governments for not doing enough to combat hate crimes.

"Anti-Jewish bombings, arson, and personal assaults in Europe are proliferating in an environment of incitement to violence," Posner told a U.S. Senate hearing in April 2004. "Yet despite a continued high rate of antisemitic threats and attacks in large parts of Europe, only a handful of the fifteen governments of the European Union systematically monitor and report on these and other manifestations of racist violence."

#1c

Museum opening launches Sholom Aleichem commemorations

JTA, March 1, 2009

A museum dedicated to Sholom Aleichem and Yiddish culture is opening in Kiev.

The museum will open Monday in the building where he wrote "Tevye the Milkman" as part of the celebrations surrounding the 150th anniversary of the writer's birthday.

Original manuscripts, portraits, photographs, posters of performances of Sholom Aleichem's plays and personal belongings will be on display.

"The best commemoration of the great Yiddish writer is promotion and 'sounding' of his books and plays in different languages, but first of all in Yiddish," Arkady Monastyrsky, leader of the Jewish Forum of Ukraine, told JTA. "We try to propagate and promote Yiddish in Ukraine and Sholom Aleichem heritage."

Flowers will be laid at the Sholom Aleichem monument in Kiev. The monument, a bronze statue of the author tipping his hat, was erected in central Kiev in 1997.

The National Bank of Ukraine issued a silver coin and Ukraine issued a jubilee stamp honoring the author.

"The figure of Sholom Aleichem, his literary contribution to the treasury of vivid multi-ethnic culture of Ukraine, is worthy of respect and being commemorated on the highest levels," said Ivan Vasiunyk, vice prime minister of Ukraine and chairman of the Organizational Committee for preparation and celebration of the 150th anniversary of Sholom Aleichem in Ukraine.

Born in Pereyaslav, in the Kiev area, Sholom Aleichem (1859-1916) was educated in the nearby Voronkov, whose inhabitants were models for the characters of the fictional community Kasrilevke, the settings of many of his stories. He is said to be the first to write children's literature in Yiddish.

He is best known to many for his stories that formed the basis for the musical "Fiddler on the Roof."

#1d
Pillay calls Durban II accusations 'unwarranted'
JTA, March 2, 2009

The United Nations human rights chief said accusations that an upcoming racism conference will turn into an anti-Semitic hate-fest are unfounded.

Navi Pillay, the U.N. commissioner for human rights, told the U.N. Human Rights Council Monday that media reports and lobbying against the upcoming meeting in Geneva, dubbed Durban II, by some organizations is "unwarranted."

Pillay made her remarks just two days after the United States said it would pull out over references to Israel and religion in the draft conference document. Israel and Canada had said already that they were not attending the conference in April.

"I am fully aware that the legacy of the 2001 Durban Conference has been tainted by the anti-Semitic behavior of some NGOs at the sidelines of that conference," Pillay said. "And now the Geneva review conference has also been the target of a disparaging media and lobbying campaign on the part of those who fear a repetition of anti-Semitic outbursts."

The 2001 human rights meeting in Durban, South Africa, singled Israel out for criticism and compared Zionism to racism. Israel and the United States walked out.

The United States sent representatives to a preparatory meeting to write a draft document for the conference, but announced after the meeting that it would boycott in April.

#1e
Italy says no to Durban II
JTA, March 5, 2009

Italy is pulling out of the Durban II U.N. anti-racism conference.

Foreign Minister Franco Frattini disclosed the decision Thursday in Brussels, where he is attending a meeting of NATO foreign ministers.

According to Italian news agencies, Frattini said the decision was made because of "aggressive phrases of an anti-Semitic nature" that were "totally unacceptable" in the draft of a final document meant to be approved at the Durban Review Conference, which will take place April 20-24 in Geneva.

He said the statements in question "must be eliminated," and that Italy would not participate unless the draft document was changed.

The United States has set the same condition for participation, while Israel and Canada also have withdrawn.

The World Jewish Congress and the European Jewish Congress have called for a boycott of the conference. WJC chief Ronald Lauder said in a statement that the meeting "was not about combating racism, but about promoting anti-Israel and anti-Semitic propaganda within the framework of the United Nations."

Anti-Jewish and anti-Israel vitriol were rampant at the World Conference Against Racism in Durban, South Africa, in 2001.

#1f
Ukraine foreign minister sacked
BBC News, March 3, 2009

Ukraine's parliament has voted to sack Foreign Minister Volodymyr Ohryzko for poor handling of government policy.

A total of 250 members in the 450-seat assembly backed a no confidence motion in Mr Ohryzko, including 49 from Prime Minister Yulia Tymoshenko's bloc.

He was criticised for his approach to a ruling last month by a UN court on a territorial dispute with Romania, and for his aggressive approach to Russia.

Mr Ohryzko's dismissal was the second departure of a minister this year.

Finance Minister Viktor Pynzenyk resigned last month after clashing with Ms Tymoshenko over the budget, including the size of the deficit.

Mr Ohryzko, a career diplomat, was one of two ministers appointed by the prime minister's ally-turned-rival, President Viktor Yushchenko.

Correspondents say the decision to sack the minister is likely to be contested in court as, according to some MPs, only the president has the power to do so. Opposition MPs dispute the assertion.

Last month's ruling by the International Court of Justice, which both parties agreed in advance would be binding, gave Romania about four-fifths of the area it had claimed from Ukraine in a long-running territorial dispute over a part of the Black Sea.

At stake were drilling rights in an area which Romania says may contain some 100bn cubic metres of gas and 10m tonnes of oil.

The ruling was welcomed as a victory for diplomacy by nearly all politicians and the media in Bucharest, but criticised by many in Kiev.

#1g
120 tons of matzo baked for Russian Jews to Pesach
Interfax, March 3, 2009

Special bakery in Istra not far from Moscow completed baking matzo to Pesach, which the Jews celebrate from April 9 to April 15 this year.

According to the bakery director Rabbi Shneur Alperin, they totally baked 120 tons of matzo. It will be sent to Jewish communities of Russia before the feast.

The Kashrut Department of Russia's chief rabbinate controlled matzo production and confirmed it was kosher for all Pesach festival days, the Jewish News Agency has reported on Tuesday.

#1h
Groups protest Russian textbook's portrayal of Jews
JTA, March 4, 2009

A Russian Jewish umbrella group says it is extremely concerned about a textbook on religion that blames Jews for injustices in the wake of Russia's 1917 revolution.

In a section on Russian history, the electronic textbook, published by Ulyanovsk State University, gives the impression that Jews seek to dominate the pathways of power. It claims Russia's 1917 Bolshevik Revolution was instigated by Jews to expand their negative influence on the socio-political and cultural life of Russia.

"In the section on Judaism, one can find a set of completely biased statements ranging from insinuations to blatant anti-Semitism," the Federation of Jewish Communities said in a statement on the textbook.

The section also says that those who study Judaism would find "elements of an aggressive culture close to a sect or cult which seeks to despise or dominate other nations," according to the statement.

The group says that such textbooks undermine any possibility of interreligious harmony in the Ulyanovsk region in central Russia. It points to a rash of anti-Semitic attacks and graffiti in the past year as evidence.

#1i

Zhirinovsky proposes end to hate speech law

JTA, March 5, 2009

A prominent Russian legislator and former presidential candidate introduced legislation to strike down Russia's hate speech law.

Vladimir Zhirinovsky, the parliamentary vice-speaker and outspoken leader of the Liberal Democratic Party of Russia, made the proposal Wednesday about Article 282 of the Russian Criminal Code, which is the center of nearly all prosecutions in Russia for anti-Semitic hate speech. It prohibits public incitement of ethnic or religious hatred.

In a memo attached to the proposal, Zhirinovsky pointed out that a broad interpretation of the law could be used to prosecute journalists for identifying the race of criminals in news stories or anyone for telling ethnic jokes.

"Who can say whether it is a crime to tell ethnic joke that are inciting hatred or hostility to Natives, Jews, Gypsies or Russians," the memo argues.

Zhirinovsky goes on to argue that the law should not be defined by the speaker's actions or words but by their goal.

Human rights activists also have similar concerns about the law, fearing that such anti-extremist measures could be used to crack down on dissidents and restrict free speech in general, according to a report from the Union of Councils for Jews in the Former Soviet Union.

Zhirinovsky's proposal, though, seeks to abolish the hate speech language in the law rather than amend it.

#1j

Life Expectancy In Moscow Grows By Nine Years

Itar-Tass, March 5, 2009

Over the past 12 years the average life expectancy in Moscow has grown by nine years, while in the rest of the country people live only 1.5 years longer now.

In Moscow, the average life expectancy for men is 69 years and 76 years - for women. In Russia in general the average life expectancy is 60 and 73 years, respectively, the Moscow health service department said.

The good results have been achieved in Moscow thanks to measures taken by the city government aimed at the improvement of health service in the city, making it accessible to the population and orientated at elimination of the main causes of human death, the Moscow health department said.

A positive tendency has appeared in the demographic situation in Moscow as well. In 2007 birth rates in Moscow totalled 9.6 per every 1,000 residents. In 2008 birth rates rose to 11.9 per 1,000 residents.

In 2008 death rates in Moscow were 11.9 cases per 1,000 residents, which is much lower than the average death rate statistics in Russia in general - 14.7 cases per 1,000 residents.

The Moscow health service department particularly praised declining infant mortality rates in Moscow that dropped from 10.9 per 1,000 babies born in 2000 to 6.5 per 1,000 babies born in 2008.

Without babies registered in Moscow, but born elsewhere infant mortality rates in Moscow have dropped to 4.3 against the 2000 level, which conforms to European infant mortality rates.

#1k

Kanner nominated to head Russian body JTA, March 5, 2009

An advisory group recommended Yuri Kanner, a Russian businessman and philanthropist, to take over as president of the Russian Jewish Congress.

The umbrella group's bureau of the presidium met Wednesday and approved Kanner's name for the post now held by Moshe Kantor. In February, Kantor said he would step down to focus more on his work as president of the European Jewish Congress.

Kanner is not listed among the members of the congress' boards or presidium, according to the RJC Web site. He is a member of the board of directors of the European Jewish Fund, which Kantor chairs.

His appointment must be approved by the full presidium in a meeting that RJC officials have said would take place in April.

Also at the meeting, the bureau voted to "modernize" the structure of the congress. It will start by creating the position of chairman of the presidium, according to a statement.

#1l

Attempted Bombing at Progressive Synagogue in Ukraine World Union for Progressive Judaism, March 5, 2009

Police in the northwestern Ukraine city of Lutsk are investigating the case of a bomb that was found last month outside the synagogue used by the city's Progressive congregation. Sergey Shavardovskiy, the congregation's executive director, was conducting a routine inspection of the grounds when he found a suspicious bottle with what appeared to be a timing device that had been placed next to a ventilation grill.

"I could not believe my eyes," Shavardovskiy said. "At first, I thought it was a [prank]. However, when I saw the clock, I was in shock. In seconds, the volunteers and visitors at the Hesed Jewish welfare center, which is also in the building, could have been dead."

Shavardovskiy immediately phoned the police, who secured the area, neutralized the device and began an investigation.

Originally a Polish city, Lutsk had 38 synagogues for a pre-war population that was 40 percent Jewish. Annexed by the USSR and then overrun by the Germans, almost all of its Jews were killed in the Holocaust. Today, there are about 900 Jews in an overall population of close to a quarter of a million. About one-third belong to the city's Progressive congregation, which received the three-story, century-old pre-war yeshiva building on permanent loan from municipal authorities.

Despite the attempted bombing, "the Progressive movement in Ukraine and members of its congregations will continue to rebuild synagogues, support those in need and plant the seeds of tolerance and pluralism," says

Rabbi Alexander Dukhovny, the World Union's senior rabbi for the Ukraine. "Nothing can stop the Jewish revival."

#1m

Kazakh rabbi call on U.S. to void Jackson-Vanik amendment Interfax, March 6, 2009

Kazakh Jews represented in the name of Kazakh Chief Rabbi Yeshaya Kogen have asked the new U.S. administration in Washington to lift the Jackson-Vanik amendment from Kazakhstan, the Kazakh embassy to the United States said in a statement on Friday.

"When we felt bad, we knocked on all the doors and the U.S. heard us. Today we feel in Kazakhstan as at home. We ask our U.S. partners and the new administration to decide on lifting the amendment from Kazakhstan," Kogen is quoted in the statement as saying.

"The Kazakh government adheres to preserving the spirit of tolerance - a gift of the history to the nation. Tolerance is bred in families and kindergartens and developed and strengthened in schools and universities," the Kazakh chief rabbi said.

The Jackson-Vanik amendment, restricting U.S. trade relations with foreign countries, was introduced in 1974 against the USSR as a reaction to the Soviet Union's restrictions on migration of Jews from the country.

#2

U.S. Assesses Russia, Belarus, Caucasus States In Rights Report (Part 2) RFE/RL, February 27, 2009

The U.S. State Department has issued its annual report assessing human rights around the world during 2008, and Russia and a number of European and Caucasus countries come in for stiff criticism. The report describes civil liberties as "under siege" in Russia, and says that Belarus continues to have "very poor" rights practices. We summarize the report in a two-part series. Here in Part 2, we look at the assessment of Eastern European and Caucasus states.

Presenting the annual human rights survey in Washington, U.S. Secretary of State Hillary Clinton said February 25 that she wants the report to act as a catalyst for changes that improve conditions for the greatest possible number of people around the world.

She vowed to "engage as many others as I can to join me, both through traditional and untraditional challenges."

"I am looking for results. I am looking for changes that actually improve the lives of the greatest numbers of people," Clinton said. "Hopefully, we will be judged over time by successful results from these efforts."

Clinton said the United States wants to make the survey a global effort, and that she plans to work with business and religious leaders, schools and universities, and citizens everywhere to achieve that goal.

All these elements can play a vital role in creating a world where human rights are "accepted, respected, and protected," she said.

At the same news briefing, acting Assistant Secretary for Democracy, Human Rights and Labor, Karen Stewart, praised the courage of activists around the world who tried to assert their rights against oppressive governments.

"A disturbing number of countries leveled burdensome, restrictive, or repressive laws and regulations against nongovernmental organizations and the media, including the Internet," Stewart said. "Many courageous human

rights defenders who peacefully pressed for their own rights and those of their fellow countrymen and women were harassed, threatened, arrested, and imprisoned, killed or subjected to violent other extra judicial means of reprisal."

Russian And Eastern Europe

The State Department says that in Russia, continuing centralization of power in the executive branch, a compliant State Duma, corruption in enforcement of the law, media restrictions, and harassment of some nongovernment groups eroded the government's accountability to its citizens.

Turning to the troubled North Caucasus region, the report says Russian security forces reportedly engaged in killings, torture, abuse, violence, and other brutal or humiliating treatment, often with impunity. In Chechnya, Ingushetia, and Daghestan, security forces were allegedly involved in unlawful killings and politically motivated abductions.

In Ukraine, the police and penal systems continued to be sources of some of the most serious human rights concerns. They included instances of torture by law enforcement personnel, harsh conditions in prisons and detention facilities, and arbitrary and lengthy pretrial detention.

Serious corruption persisted in all branches of the government. The judiciary lacked independence and suffered from corruption. The government continued to be slow to return religious property. Societal violence against Jews continued to be a problem. On the positive side, the report says that the Ministry of the Interior established human rights monitoring departments in all regions to monitor human rights performance by police during the year.

Caucasus

On Armenia, the report says the government's human rights record deteriorated significantly during the year, with authorities and their agents committing numerous human rights abuses, particularly in connection with the February 2008 presidential election and the government's suppression of demonstrations that followed.

Citizens were subject to arrest, detention, and imprisonment for their political activities. Authorities used force, at times lethal, to disperse political demonstrations.

Violence against women and spousal abuse, trafficking in persons, and discrimination against persons with disabilities and homosexuals was also reported.

In Azerbaijan, the government's human rights record remained poor and worsened in some areas in 2008. The public's right to peacefully change the government was restricted in the October presidential election.

Torture and beating of persons in police and military custody resulted in three deaths, and law enforcement officials acted with impunity. Pervasive corruption, including in the judiciary and law enforcement, continued.

As for Georgia, the annual survey says the main human rights abuses reported during the year included at least two suspected deaths due to excessive use of force by law enforcement officers, intimidation of suspects, abuse of prisoners, poor conditions in prisons and pre-trial detention facilities.

Respect for freedom of speech and the press lessened, but began to rebound by year's end. Other problems included reports of corruption among senior officials and trafficking in persons.

Belarus And Balkans

Turning to Belarus, the report says that country's rights record remained very poor as government authorities continued to commit frequent serious abuses. The right of citizens to change their government was severely restricted.

The government failed to account for past politically motivated disappearances. Prison conditions remained extremely poor, and reports of abuse of prisoners and detainees continued. There were however several noteworthy developments, including the release of the last nine internationally recognized political prisoners.

Turning to the Balkan region, the U.S. human rights survey found that in Kosovo -- during its first year of independence -- there were cases of politically and ethnically motivated violence; societal antipathy against Serbs and the Serbian Orthodox Church; and lack of progress in returning internally displaced persons to their homes.

There was also government corruption; violence and discrimination against women; trafficking in persons, particularly girls and women for sexual exploitation; societal violence, abuse, and discrimination against minority communities; societal discrimination against persons with disabilities; abuse and discrimination against homosexuals; and child labor in the informal sector.

Serbia's government generally respected the human rights of its citizens; however, the following human rights problems were reported: police brutality; corruption in the police and the judiciary; inefficient and lengthy trials; and government inability to apprehend the two remaining fugitive war crimes suspects under indictment of the International Criminal Tribunal for the former Yugoslavia.

There was also harassment of journalists, human rights advocates, and others critical of the government; limitations on freedom of speech and religion; societal intolerance and discrimination against ethnic and religious minorities, particularly Roma; large numbers of internally displaced persons; violence against women and children; and trafficking in persons.

In Moldova, the government was also found to generally respect the human rights of its citizens; however, security forces beat persons in custody and held persons in incommunicado detention. Prison conditions remained harsh, and security forces occasionally harassed and intimidated the political opposition. There were reports of judicial and police corruption, arbitrary detention by police, and occasional illegal searches.

Persistent societal violence and discrimination against women and children; trafficking in women and girls for sexual exploitation; discrimination against Roma; difficulties registering minority religious groups; limits on workers' rights; and child labor problems were also reported.

#3

Ukraine Teeters as Citizens Blame Banks and Government

By Clifford J. Levy

New York Times, March 2, 2009

Steel and chemical factories, once the muscle of Ukraine's economy, are dismissing thousands of workers. Cities have had days without heat or water because they cannot pay their bills, and Kiev's subway service is being threatened. Lines are sprouting at banks, the currency is wilting and even a government default seems possible.

Ukraine, once considered a worldwide symbol of an emerging, free-market democracy that had cast off authoritarianism, is teetering. And its predicament poses a real threat for other European economies and former Soviet republics.

The sudden, violent protests that have erupted elsewhere in Eastern Europe seem imminent here now, too. Across Kiev last week, people spoke of rising anger about the crisis and resentment toward a government that they said was more preoccupied with squabbling than with rallying the country.

The sign held by Vasily Kirilyuk, an unemployed plumber camped out with other antigovernment demonstrators here in the past week, summed up the pervasive frustration: "Get rid of them all," it said.

Mr. Kirilyuk did not hesitate to take that further. "There will be a revolt," he said. "And people will come because they are just fed up."

Mr. Kirilyuk, 29, was standing in the same central square where throngs in 2004 carried out the Orange Revolution, a seminal event that brought to power a pro-Western government in Ukraine. He said he was a fervent supporter then of the protesters, but now he and a few dozen others who have set up tents here are demanding that the heroes of that revolution step down.

It is not hard to understand why world leaders are increasingly worried about the discontent and the financial crisis in Ukraine, which has 46 million people and a highly strategic location. A small country like Latvia or Iceland is one thing, but a collapse in Ukraine could wreck what little investor confidence is left in Eastern Europe, whose formerly robust economies are being badly strained.

It could also cause neighboring Russia, which has close ethnic and linguistic ties to eastern and southern Ukraine, to try to inject itself into the country's affairs. What is more, the Kremlin would be able to hold up Ukraine as an example of what happens when former Soviet republics follow a Western model of free-market democracy.

"Ukraine is a linchpin for stability in Europe," said Olexiy Haran, a professor of comparative politics at Kiev Mohyla University. "It is a key player between the expanding European Union and Russia. To use an alarmist scenario, you could imagine a situation in Ukraine that Russia tried to exploit in order to dominate Ukraine. That would make for a very explosive situation on the border of the European Union."

That Ukraine can cause problems for Europe was highlighted in January when Ukraine engaged in a dispute with Russia over how much it would pay Russia for natural gas, as well as over gas transport to the rest of Europe. The Kremlin shut off the gas for several days, and some European countries went without heat. The Kremlin also shut off gas to Ukraine in 2006 in a pricing dispute.

While Ukraine's economy is dependent on exports of steel and chemicals, which have plummeted, the crisis has cut deeply because people are disillusioned with the government.

President Viktor A. Yushchenko, a leader of the Orange Revolution, who garnered attention around the world in 2004 when his face was scarred in a poisoning episode, is so widely scorned that a recent poll found that 57 percent of people wanted him to resign.

His rivals have also lost popularity, as the public has become exasperated by years of political bickering. In February, the International Monetary Fund refused to release the next installment of a \$16.4 billion rescue loan to Ukraine because the government would not adhere to an earlier agreement to pare its budget.

Around the same time, Ukraine's finance minister resigned, saying that the job had been "hostage to politics."

On Friday, the monetary fund projected that Ukraine's economy would shrink by 6 percent this year, and said that it was continuing to work with the government to find a way to disburse the rest of the rescue loan.

A presidential election is coming, probably to be held next January, and this prospect is making politicians, especially Prime Minister Yulia V. Tymoshenko, reluctant to adopt an austerity program that might alienate voters.

Mr. Yushchenko and Ms. Tymoshenko were pro-Western allies during the Orange Revolution, but have bitterly feuded since then, and he fired her once. A third rival, Viktor F. Yanukovich, a former prime minister who heads an opposition party that favors closer ties with Russia, also wants to be president.

On Friday, Mr. Yushchenko and Ms. Tymoshenko held a public meeting in an effort to demonstrate that they were working together. Mr. Yushchenko said he wanted "to show the readiness of all sides to take political responsibility for decisions which today are not easy."

Even so, the two did not announce further anticrisis measures.

All over Kiev have been signs that tensions are building.

On the city's outskirts, more than 200 tractor-trailer rigs were parked Thursday, their drivers threatening to block roads if the government did not help them with their debts, which they said were caused in part by the drop in the value of Ukraine's currency, the hryvnia.

The truckers dispersed Friday, only after the government said it would try to address their demands, but they said they would be back soon if they were ignored.

"The government is to blame for all this," said a trucker, Viktor V. Zarichnyuk, 26, who had been at the protest for 12 days. "We want the government and the national bank to agree that the money allocated by the International Monetary Fund, at least part of it, should go to regular people."

At a branch of the Rodovid Bank across town, a tense crowd gathered Friday morning. The bank, close to failing, was allowing withdrawals of only \$35 a day. And so people, some of them pensioners fearful for their life savings, have been trooping each day, ever more aggravated, to try to get what they can.

"Every day we come here — it's insulting — in the cold and line up," said Alevtina A. Antonyuk, 58, an engineer. "They are nothing at this bank but a bunch of thieves."

Who is to blame, she was asked. Before she could answer, Dmitri I. Havrilkiv, 78, a retired crane operator, interrupted.

"The government has to be replaced," he shouted. "They just can't handle it!"

#4

Latvian Premier Designate Says Budget Must Be Cut for IMF Plan

By Aaron Eglitis

Bloomberg, February 27, 2009

Latvian Prime Minister-designate Valdis Dombrovskis promised to implement budget cuts to meet the terms of the Baltic nation's bailout from the International Monetary Fund.

Dombrovskis, 37, who was named as prime minister yesterday following the collapse of Ivars Godmanis's administration, met IMF officials and "the message was quite clear," he said in a telephone interview in Riga last night. "As long as nothing is being done with the budget amendments and wage cuts are not implemented, the next tranche of money will not be transferred."

The former economist, a member of the opposition New Era party, will try to pull together a coalition as the nation wrestles with the most severe economic crisis since it gained independence from the Soviet Union in 1991. Spending cuts are a requirement of the \$9.6 billion IMF-led bailout. Latvia received about 1.5 billion euros (\$1.9 billion) and the next installment of 200 million euros is due after the budget is amended.

After raising some taxes and lowering wages, the government must lower expenditure by 700 million lati (\$1.3 billion), equivalent to about 5 percent of gross domestic product.

"The cuts will be relatively big measures, every sector will feel them," Dombrovskis said. He said he was surprised when he first learned the size of the budget shortfall.

'Irresponsible'

"Apparently the previous government did not have a sense of urgency" to begin planning for spending cuts, he said. It was "irresponsible behavior from the government's side."

Godmanis's four-party coalition collapsed on Feb. 20.

Dombrovskis, a former economist with the Latvian central bank, has received the backing of the Greens and Farmers' Union, which has 17 seats in the parliament, the Diena newspaper said yesterday.

The People's Party, the country's biggest with 21 seats, said it is still considering joining a coalition, Diena said. Latvia's First Party, which has 10 seats, said it will join if invited, the newspaper said.

New Era, which holds 14 seats, Civil Union, with seven seats, and the Society for Different Politics, with two seats, will support Dombrovskis, according to a statement. Latvia's parliament, the Saeima, has 100 lawmakers

"Despite these encouraging factors, one still needs to be extremely cautious because the prime minister-designate still has to form a government and will surely have difficult times in implementing the economic program which would call for some politically risky measures like lay-offs and wage cuts," said Yarkin Cebeci, an economist at JPMorgan Chase, in a note.

Route to Growth

The new government must keep the budget deficit at about 5 percent of gross domestic product after the country's outlook worsened. The economy shrank 10.5 percent in the fourth quarter and may contract 12 percent this year, the government forecasts.

"The route back to economic growth for Latvia is to boost exports, but the problem is that the lats is seriously overvalued," said Aidan Manktelow, an analyst at the Economist Intelligence Unit, in an e-mail. "The choice facing Latvia then is stark: either to implement the IMF program in full, or, if that proves impossible, to devalue the currency."

The spending cuts mean Dombrovskis risks alienating the electorate before municipal and European Parliament elections in June.

"Dombrovskis may have been handed a poisoned chalice: he's going to have to take personal responsibility for very tough and unpopular budget cuts," Manktelow said.

"There is a risk but the alternative to taking that risk is the bankruptcy of the state," Dombrovskis said.

#5

Russia Tries To Lure Moldova Into New Transdniester Format by Vlad Kulminski, Andrei Popov RFE/RL, February 27, 2009

With just six weeks to go before the April 5 parliamentary elections, Russian Foreign Minister Sergei Lavrov traveled to Moldova on February 23-24, his first visit to that country since taking office in March 2004. The timing of his visit fueled speculation that its real purpose was to underscore Moscow's support for the ruling Communist Party, which is seeking a third successive term in office.

The visit reflects a remarkable turnaround in Russia's attitude to Moldovan President Vladimir Voronin. In the 2005 elections, the Kremlin tried to weaken Voronin as retribution for his last-minute refusal in late 2003 to sign a Russian-drafted plan to resolve the Transdniester conflict. By contrast, this time around, Moscow is letting Voronin play the Russian card to his electoral advantage.

However, the significance of Lavrov's visit is not limited to the upcoming elections. The major, albeit unstated, reason for the visit was to prepare the ground for a trilateral meeting between Russian President Dmitry Medvedev, Voronin, and Transdniester leader Igor Smirnov.

That meeting -- tentatively scheduled for mid-March -- could presage a shift away from the current internationalized negotiating framework for resolving the conflict, known as the 5+2 (Russia, Ukraine, the United States, the European Union, and the Organization for Security and Cooperation in Europe as mediators, plus Moldova and Transdniestria), to a Russian-led format, dubbed the 2+1 (Moldova and Transdniestria, with Russia as the sole mediator).

Geopolitical Showcase

While both Moscow and Chisinau seem to want this meeting, they have diverging expectations from it and have not yet agreed on its precise agenda, or the desired outcome.

For the Kremlin, progress on the Transdniestrian settlement would constitute a resounding success story and help to repair Russia's international standing in the aftermath of the August war against Georgia. Even the prospect of a Russian-sponsored breakthrough in Transdniestria would cast Russia in the role of a benign regional arbiter and serve as a hard-to-miss signal that efforts to accommodate Russia's concerns are rewarded, while unfriendly behavior is punished.

Furthermore, knowing that the Moldovan leadership would benefit from its support during the elections, the Kremlin may think that Chisinau would be amenable to sidelining the current 5+2 negotiating framework -- in which the EU and the United States serve as a counterweight to Russia, which consequently finds it hard to impose its will -- in favor of the 2+1 format, where Moldova would be more susceptible to Russian pressure and cajoling.

By assuming control of the negotiating process, Russia could ensure that the final settlement meets its strategic objectives. In that case, Moldova would end up negotiating with Transdniestria under Russia's supervision, and the 5+2 framework would then be required to rubber-stamp the resulting agreement.

Lavrov may have come to Chisinau to do the spadework for institutionalizing this turnaround. Russia may urge Voronin to sign a formal commitment that would legitimize Russia's leading role in the settlement process in exchange for continued support during the final stage of the election campaign.

...Or Political Photo-Op?

Indeed, on the eve of the election it could be hard for Voronin to resist the temptation to take advantage of the electoral benefits that the meeting with Medvedev and Smirnov could bring him. In particular, it could help him to attract a significant number of hitherto undecided voters on the left of Moldova's political spectrum, who tend to lean toward Russia. Their support could determine whether the Communists return to power for another four years or are pushed into opposition.

These voters would probably interpret Voronin's meeting with Medvedev and Smirnov as a clear token of Moscow's endorsement and a breakthrough toward a settlement. This would also defeat the arguments of the left-wing opposition parties that the Communists have done little, if anything, to resolve the Transdniestria conflict and improve relations with Russia.

Notwithstanding the importance of these goals for the Communist Party, Voronin is reluctant to make any long-term, strategic concessions in return for Russia's favors. He has learned from experience the perils of one-on-one negotiations with the Kremlin and is concerned about losing his credibility with the West.

While Moscow wants to use the March meeting to force Moldova to agree to direct talks with Tiraspol under Russian supervision, Chisinau does not want to abandon its previous policy of trying to circumvent Transdniestria and cajole Russia into a bilateral compromise. Chisinau's approach is best manifested in the so-called package proposal, under which it offered to strengthen its neutral status and legalize Russian property in Transdniestria in exchange for Russia's support for a viable settlement.

Moscow has not given a clear answer to that proposal, but has instead increasingly emphasized that Chisinau should treat Tiraspol as an equal negotiating party and stop trying to circumvent it. Lavrov made it crystal clear during his visit this week that the principle of equality between the parties is a fundamental precondition for further talks. In light of this, Moscow sees the planned meeting between the three leaders as an opportunity to force the reluctant Moldovan leadership to negotiate directly with Tiraspol -- under Russian supervision.

But it is precisely the dead-end of direct negotiations with Tiraspol -- which sees such talks as a road toward independence -- that Chisinau has been trying to avoid during the past few years. That is why, in spite of the temptation to play up the meeting with Medvedev and Smirnov to attract more votes, President Voronin is reluctant to commit himself to a Russian-sponsored negotiating framework and pay the full price that Moscow is demanding for its goodwill.

Instead, he would prefer a bilateral meeting with the Russian president, or a simple photo opportunity with Medvedev and Smirnov, but without having to sign any binding agreements or documents. This would be enough to win over hesitant pro-Russian voters without tying his hands after the elections, but it would fall short of Russia's goal of decisively moving the substantive negotiations outside of the 5+2 framework.

The coming weeks will show whether President Voronin will succeed in his risky bet of capitalizing on the planned meeting with Medvedev and Smirnov, or whether Russia will manage to use the Moldovan elections to impose the new negotiating framework.

Andrei Popov is director of, and Vlad Kulminski a senior expert with, the Foreign Policy Association of Moldova (APE). The views expressed in this commentary are their own, and do not necessarily reflect those of RFE/RL

#6

'Elementary rights' still lacking in Russia: Medvedev

AFP, March 1, 2009

President Dmitry Medvedev has admitted that several "elementary" human rights are still lacking in Russia, the Kremlin said Sunday, amid criticism of its record by the West.

"There are elementary rights on which we, unfortunately, have not been successful," he told Spanish media in an interview, a full transcript of which was published by the Kremlin.

"I am referring to the protection of a person from crime, from infringements on his personal life, protection of property," he added.

Rights groups have been hoping that Medvedev -- a lawyer by trade -- will act to reform the country's legal system after activists complained of rights violations under his predecessor, strongman Prime Minister Vladimir Putin.

His comments come days ahead of the trial next week on new charges of the jailed oil tycoon Mikhail Khodorkovsky, which is seen by commentators as a test of whether the authorities are prepared to soften their line on opponents.

In another high-profile trial last month, the jury acquitted four men accused of involvement of the murder of Anna Politkovskaya, a journalist who had been highly critical of Putin.

Medvedev said that as head of state he was not going to comment on the court's work in that trial.

"But I can say one thing -- that the investigative institutions need to start working in circumstances where a jury exists," he said.

The president also pointed out that he would be having regular meetings with a human rights council made up of non-governmental activists. "I'm sure that things are going to be said that are unpleasant for the state."

But he said he was "impressed" by the progress Russia had made on rights since the collapse of the Soviet Union.

"Several decades ago just asking this question would have seemed ridiculous -- what human rights could there have been in the Soviet Union."

#7

Russia Figures Prominently In Clinton's Europe Visit

By Louise Radnofsky

Wall Street Journal, March 2, 2009

Hillary Clinton, making her first trip to Europe as secretary of state, is set to meet Russia's top diplomat after a flurry of commentary on the Obama administration's plan to "reset" ties with Moscow.

Mrs. Clinton will visit Brussels and Geneva after a stop in Israel, where she'll encounter a hawkish prime minister-designate, Benjamin Netanyahu, and an Israel-Palestinian conflict that seems as intractable as ever.

In Brussels, the North Atlantic Treaty Organization is holding a meeting of its members' foreign ministers, who will also be attending a dinner with foreign ministers from other European Union states and Switzerland. Mrs. Clinton is also meeting European Union leaders while she is there.

Russia is likely to feature prominently in discussions in Brussels, where the gathered officials share tense relations with Moscow. Friday, Mrs. Clinton will travel to Geneva to meet Russian Foreign Minister Sergei Lavrov.

Vice President Joe Biden talked of pressing the reset button with Moscow at a speech in Germany in early February. The U.S. has suggested it hopes to get more Russian cooperation in the war in Afghanistan and make progress on nuclear-arms control.

Some U.S. commentators said it looked like the Obama administration was going soft on Moscow, but officials say that's not the case.

In a briefing Friday, the assistant secretary of state for European and Eurasian affairs, Daniel Fried, pointed to "some important cautionary notes" in Mr. Biden's speech that "didn't seem to get as much attention as some of us on the trip thought they should." Mr. Fried said the U.S. won't recognize a Russian "sphere of influence" and won't recognize the independence of breakaway Georgian regions that are close to Moscow.

#8

Asymmetrical Expectations In Washington And Moscow

By Andrei Tsygankov

RFE/RL, February 28, 2009

U.S. expectations of Russian cooperation in Afghanistan are unlikely to be realized. The two countries have not developed adequate perceptions of each other's objectives in Eurasia and are currently proceeding from asymmetrical, although not yet clashing, calculations.

Washington hopes to press the "reset button" with Moscow because Afghanistan is Russia's problem, too. Terrorist camps and intense drug trafficking from the area makes the Kremlin sympathetic to the idea of stabilizing Afghanistan. In addition, for the time being, Washington seems to have abandoned its ideologically ambitious objective of global democracy promotion -- something that Russia has consistently opposed. It is perhaps ironic, but the current Democratic administration in Washington is focusing not on democracy but on pragmatic objectives of security. That is particularly true in the region's most dangerous area -- the Pashtun-populated parts of Afghanistan and northern Pakistan.

Still, U.S. calculations of Kremlin cooperation arise largely out of the historical context of U.S.-Russia relations since the Cold War. After three failed attempts to engage the United States and other Western states in a mutually advantageous partnership -- Mikhail Gorbachev's, Boris Yeltsin's, and Vladimir Putin's -- Russia now wants to be sure Washington does not overstep its boundaries in the region. The widespread feeling in Russian political circles is that the United States all too often acts out of a perception of Russia as an irrelevant power. As a result, the Kremlin has lost influence in strategically important areas in Eurasia, including Georgia and pockets of Central Asia.

'Potential Troublemakers'

The common fear in Moscow is that by fighting the Taliban, the United States will further antagonize the local population (as it has done elsewhere), not solving the problem but bringing the instability closer to Russia's borders. Russian military planners are also generally skeptical that any war in Afghanistan can be successful.

In addition, in the eyes of the more hawkish elements within the Russian political class, it makes little difference that Barack Obama is no George W. Bush or Bill Clinton. There is much suspicion of the intentions of America's political class as a whole. For instance, in the words of Andrei Klimov, deputy chairman of the State Duma's Foreign Relations Committee, U.S. bases are "are potential troublemakers for my country." As far as Russians hawks are concerned, it is now time for the United States to withdraw from the region.

At the moment, the Kremlin does not object to the U.S. transit of nonmilitary cargo across the territory of Russia or the Central Asian states. But Moscow wants to see such transit taking place largely on Russia's terms, and only if the United States understands that it is a guest in the region. Russia's support for Kyrgyzstan's decision to close the U.S. military base at Manas too can be explained by the Kremlin's desire to restore the pre-9/11 status quo in Central Asia. In Eurasian tradition, guests must come with valuable gifts and not overstay their welcome.

Geopolitical Lens

The price for repairing Russia's mistrust may soon be considered excessively high in Washington. After all, Barack Obama's administration bears no direct responsibility for previous U.S. policy blunders. But those past blunders continue to shape perceptions of U.S. intentions. After being overly trustful of Western intentions in the past, the Kremlin now views them largely through a geopolitical lens.

To prevent yet another clash in the two countries' mutual perceptions, Washington should learn to understand the limitations of additional military deployments and act in close consultation with Moscow and other key actors in the region.

#9

Putin's Party Sweeps Regional Elections

By Michael Schwartz

New York Times, March 3, 2009

Prime Minister Vladimir V. Putin's governing party has won handily in regional elections, Russia's Central Election Commission said Monday, in his first electoral test since the economy began to turn dire.

Mr. Putin's party, United Russia, won the majority of seats in all nine regions where local parliamentary elections were held Sunday, and nearly swept smaller municipal elections. The Communist Party, which complained of widespread violations, came in a distant second.

United Russia officials called the resounding victory evidence that Mr. Putin's response to the economic crisis, including supporting the ruble and targeted bailouts, had spared many Russians the ill effects of a rapidly tumbling economy.

“These elections show that the steps taken by the government and the legislature are correct and directed at preventing serious impacts of the global crisis on the economic situation in Russia,” said Boris Gryzlov, the party chairman.

But many independent analysts say that elections have become little more than technical exercises since Mr. Putin came to power as president in 2000, and offer only a haphazard indication of voter preference.

Television and many other media outlets are largely tilted in favor of United Russia, and, out of four parties in the federal Parliament, only one, the Communist Party, offers real, if pliable, opposition to Mr. Putin’s party.

“This was just a small, uninteresting show,” said Anton Orekh, a political commentator on Echo Moskvyy radio. Public interest in elections, he said in an interview, has become “slightly less than low.”

Still, Mr. Putin remains the country’s most popular politician, consistently topping President Dmitri A. Medvedev, with approval ratings floating from 60 to 80 percent depending upon the poll.

But some analysts pointed to a slight slip of several percentage points by United Russia in some regions, compared with previous elections, as an indication that the increasing unemployment and rising prices that have accompanied the crisis have begun to take a toll on the party.

The Communist Party made comparably small gains, winning over 20 percent of the parliamentary seats in some regions, despite what Gennady Zyuganov, the Communist leader, called major violations of election laws.

“We gained much more votes in the majority of regions even though the latest election campaign had been the dirtiest and administrative resources had been used everywhere,” Mr. Zyuganov told the Interfax news agency.

Nikolai Petrov, a political analyst at the Carnegie Moscow Center, said United Russia was beginning to slowly adapt to the country’s changing conditions.

“It is in a difficult situation because earlier it didn’t need to do anything,” Mr. Petrov said of the party. “Now it must in some cunning way position itself so as not to take responsibility for the negativity of the crisis.”

#10

Eastern Europe Needs Our Help

We can’t risk losing 20 years worth of gains in the region.

By John Kerry

Wall Street Journal, February 27, 2009

Twenty years ago, the Berlin Wall and the repressive Communist regimes of Eastern Europe came crashing down to usher in a new era of political and economic freedom. Today, it is Eastern Europe’s banks and economies that are threatening to crash.

The Polish zloty is down 38% against the dollar in the last six months alone. Hungary’s forint is down 32%. Ukraine posted a staggering 34% drop in January industrial output from a year earlier. While the entire world is reeling, right now the eye of the global financial storm has moved to Central and Eastern Europe.

If Western nations do not act quickly to address the snowballing financial crisis that is brewing from Latvia to Hungary, we risk replacing an era of promise and progress in Eastern Europe with one of soaring unemployment, instability and a weakening of the influence and ideals we have spent decades building.

While many Americans are rightly focused on our domestic troubles, we must also recognize the global dimensions of the current crisis. Last week, Latvia became the second government, after Iceland, to collapse as a result of a financial crisis that has already sparked riots in the Baltics and Greece and is likely to be a driving geopolitical force for a long time.

Eastern Europe's currencies are plummeting as investors instead seek the safety of the dollar and the euro. This means that Eastern European countries, companies and individuals face increasing challenges to pay back their large foreign-currency loans -- which only deepens the currency problems to create a vicious circle.

At first glance this may seem like a traditional emerging-markets crisis like those we saw in the late 1990s. But in fact it's far worse. This is a truly global financial crisis in a highly connected financial world, and Eastern Europe is feeling the brunt. Many of the region's banks are foreign-owned -- in the case of Hungary, more than 80% -- and many of those banks are now contemplating unprecedented protectionist steps, pulling back lending operations to their home countries. Meanwhile, as larger countries consume more of the world's capital in refinancing their own debt, emerging markets like those of Eastern Europe are likely to find the bank windows closed to them.

The result is that the economies of Eastern Europe are already falling faster and further than anyone expected. There is a real danger that, if every country affected by this crisis defines its interests narrowly, several strategically vital countries could fall through the cracks. For example, Ukraine's dire situation could trigger a domino effect, not only destabilizing Western European banks with large exposure to East European markets, but actually changing the geopolitical map as well.

America should support World Bank President Robert Zoellick's call for the EU to lead a coordinated global effort, alongside the IMF, World Bank and other development banks, to support the economies of Central and Eastern Europe. Austria, too, deserves credit for trying to focus Europe's attention on the plight not just of eastern member states such as the Baltics, but also of non-EU neighbors like Ukraine.

But Eastern Europe will not be the last financial fire the world will have to help put out in this crisis. Nor will our problems be confined to traditionally unstable corners of the globe. Our oldest European allies are also in deepening financial trouble, and three of our most important partners in the Muslim world, Turkey, Indonesia and Pakistan, today all face acute balance-of-payments crises.

We also need to ensure that the U.S. Treasury and State departments have the capacity to deal with these fast-moving crises in real time even as they turn our domestic economy around. That means the Senate must make clear its willingness to quickly confirm the Obama administration's nominees for posts vital to international economics and finance, such as the international staff at Treasury and the economic staff at the State Department, once the administration nominates them.

Our needs at home are urgent and great. We must put our own economic house in order and we will. But as we balance the domestic and global demands of this crisis, we should be warned that, in cutting corners today we risk incurring far greater costs down the road. A retreat into our domestic problems will not only leave us diminished on the world stage -- because our world is so economically and financially interconnected, it may well also worsen our own economic crisis.

Instead, as we restore confidence in our own markets, we will also need to find a strategy to project leadership, share burdens, build the capacity of institutions like the IMF and spread stability as this crisis continues to reverberate world-wide.

We have already lost a great deal in the last few months. But two decades of prosperity, democracy and institution-building in Eastern Europe is one investment that America must not allow to go up in smoke.

Mr. Kerry, a Democratic senator from Massachusetts, is chairman of the Senate Foreign Relations Committee.

#11
Obama Offered Deal to Russia in Secret Letter
By Peter Baker
New York Times, March 3, 2009

President Obama sent a secret letter to Russia's president last month suggesting that he would back off deploying a new missile defense system in Eastern Europe if Moscow would help stop Iran from developing long-range weapons, American officials said Monday.

The letter to President Dmitri A. Medvedev was hand-delivered in Moscow by top administration officials three weeks ago. It said the United States would not need to proceed with the interceptor system, which has been vehemently opposed by Russia since it was proposed by the Bush administration, if Iran halted any efforts to build nuclear warheads and ballistic missiles.

The officials who described the contents of the message requested anonymity because it has not been made public. While they said it did not offer a direct quid pro quo, the letter was intended to give Moscow an incentive to join the United States in a common front against Iran. Russia's military, diplomatic and commercial ties to Tehran give it some influence there, but it has often resisted Washington's hard line against Iran.

"It's almost saying to them, put up or shut up," said a senior administration official. "It's not that the Russians get to say, 'We'll try and therefore you have to suspend.' It says the threat has to go away."

On Tuesday, a press secretary for Dmitri A. Medvedev told the Interfax news agency that the letter did not contain any "specific proposals or mutually binding initiatives."

Natalya Timakova said the letter was a reply to one sent by Mr. Medvedev shortly after Mr. Obama was elected.

"Medvedev appreciated the promptness of the reply and the positive spirit of the message," Ms. Timakova said. "Obama's letter contains various proposals and assessments of the current situation. But the message did not contain any specific proposals or mutually binding initiatives."

She said Mr. Medvedev perceives the development of Russian-American relations as "exceptionally positive," and hopes details can be fleshed out at a meeting on Friday in Geneva between Foreign Minister Sergei V. Lavrov and Secretary of State Hillary Rodham Clinton.

Mr. Obama and Mr. Medvedev will meet for the first time on April 2 in London, officials said Monday.

Mr. Obama's letter, sent in response to one he received from Mr. Medvedev shortly after Mr. Obama's inauguration, is part of an effort to "press the reset button" on Russian-American relations, as Vice President Joseph R. Biden Jr. put it last month, officials in Washington said. Among other things, the letter discussed talks to extend a strategic arms treaty expiring this year and cooperation in opening supply routes to Afghanistan.

The plan to build a high-tech radar facility in the Czech Republic and deploy 10 interceptor missiles in Poland — a part of the world that Russia once considered its sphere of influence — was a top priority for President George W. Bush to deter Iran in case it developed a nuclear warhead to fit atop its long-range missiles. Mr. Bush never accepted a Moscow proposal to install part of the missile defense system on its territory and jointly operate it so it could not be used against Russia.

Now the Obama administration appears to be reconsidering that idea, although it is not clear if it would want to put part of the system on Russian soil where it could be flipped on or off by Russians. Mr. Obama has been lukewarm on missile defense, saying he supports it only if it can be proved technically effective and affordable.

Mr. Bush also emphasized the linkage between the Iranian threat and missile defense, but Mr. Obama's overture reformulates it in a way intended to appeal to the Russians, who long ago soured on the Bush administration. Officials have been hinting at the possibility of an agreement in recent weeks, and Mr. Obama's proposal was reported on Monday by a Moscow newspaper, Kommersant.

"If through strong diplomacy with Russia and our other partners we can reduce or eliminate that threat, it obviously shapes the way at which we look at missile defense," Under Secretary of State William J. Burns said

about the Iranian threat in an interview with the Russian news agency Interfax while in Moscow last month delivering Mr. Obama's letter.

Attending a NATO meeting in Krakow, Poland, on Feb. 20, Defense Secretary Robert M. Gates said, "I told the Russians a year ago that if there were no Iranian missile program, there would be no need for the missile sites." Mr. Obama's inauguration, he added, offered the chance for a fresh start. "My hope is that now, with the new administration, the prospects for that kind of cooperation might have improved," he said.

The idea has distressed Poland and the Czech Republic, where leaders invested political capital in signing missile defense cooperation treaties with the United States despite domestic opposition. If the United States were to slow or halt deployment of the systems, Warsaw and Prague might insist on other incentives.

For example, the deal with Poland included a side agreement that an American Patriot air defense battery would be moved from Germany to Poland, where it would be operated by a crew of about 100 American service members. The administration might have to proceed with that to reassure Warsaw.

Missile defense has flavored Mr. Obama's relationship with Russia from the day after his election, when Mr. Medvedev threatened to point missiles at Europe if the system proceeded. Mr. Medvedev later backed off that threat and it seems that Moscow is taking seriously the idea floated in Mr. Obama's letter. Kommersant, the Moscow newspaper, on Monday called it a "sensational proposal."

Mr. Medvedev said Sunday that he believed the Obama administration would be open to cooperation on missile defense.

"We have already received such signals from our American colleagues," he said in an interview posted on the Kremlin Web site. "I expect that these signals will turn into concrete proposals. I hope to discuss this issue of great importance for Europe during my first meeting with President Barack Obama."

#12

Reported Deal With Russia on Anti-Missile Shield Draws Partisan Responses

By John M. Donnelly

CQ Today, March 4, 2009

A U.S. proposal that reportedly would halt a planned U.S. anti-missile shield in Europe in exchange for Russian help in thwarting Iran's nuclear program has triggered a sharply partisan reaction in Congress.

Democrats generally support the reported initiative as a creative approach, while Republicans oppose it because they say it makes the security of the United States and its allies a function of other countries' actions.

The White House has not confirmed the existence of the proposed bargain, contained in a letter from President Obama to Russian President Dmitry Medvedev that was reported this week by a Russian newspaper and The New York Times.

"So the way it got characterized, I think, was as some sort of quid pro quo," Obama said Tuesday about the news report. "What I said in the letter was that, obviously, to the extent that we are lessening Iran's commitment to nuclear weapons, then that reduces the pressure for, or the need for, a missile defense system."

On March 3, Medvedev expressed the possibility of improved cooperation but also dismissed the idea of a quid pro quo.

"If the new [U.S.] administration shows common sense and offers a new [missile defense] structure which would satisfy European [needs] . . . and would be acceptable for us, we are ready to discuss it," Medvedev said. "If we are talking about any 'swaps,' this is not how the question is being put. This would not be productive."

The planned European missile shield would comprise 10 interceptors in Poland and a radar system in the Czech Republic. It was a priority of President George W. Bush, but Obama has been less enthusiastic, stressing that its deployment should not occur before it proves effective in testing.

The system is designed to combat a potential threat from Iran. The country is developing missiles capable of reaching parts of Europe and is believed to be amassing material to build a nuclear warhead, though U.S. officials say it has not yet done so.

The New York Times reported March 3 that a letter from Obama to Medvedev last month suggested the European shield could be shelved if Russia helped prevent Iran from getting the bomb. The United States has repeatedly sought the support of Russia and key members of the U.N. Security Council for sanctions and a halt to any nuclear or missile aid that Russia could be providing.

The Times article said the quid pro quo was implied and not directly stated in the letter, which it said was classified.

Support for Working With Russia

Lawmakers have not seen the letter or been briefed on the proposal but still weighed in on the concept Tuesday.

Democrats generally said the most important objective was to abort the threat from potentially nuclear-tipped Iranian missiles and that if Russia could help achieve that goal in exchange for elimination of the anti-missile shield in Europe, so much the better. The shield, after all, is aimed at defeating the Iranian threat, and if it were eliminated, the shield would not be necessary, they said.

“Given that a nuclear Iran is such a profound threat, this strategy makes eminent sense,” said Democratic Sen. Charles E. Schumer of New York, vice chairman of the Senate Democratic Caucus, in a floor speech about Obama’s reported approach. “The United States could give up a non-vital missile program in Eastern Europe in exchange for vitally needed Russian cooperation to prevent Iran from going nuclear.”

Senate Armed Services Chairman Carl Levin, D-Mich., has proposed developing a European anti-missile system jointly with Russia as a way of goading Iran to halt its nuclear program. But he said he could also support other ways to achieve the same goal, including an offer not to deploy such a system in exchange for Russian help with the Iranian issue.

“I think they ought to explore whether there’s a way to get Russia on board in such a way as to pressure Iran to drop its program to obtain a nuclear weapon,” Levin said. “The biggest goal is to deal with the Iranian threat.”

Senate Foreign Relations Chairman John Kerry, D-Mass., offered qualified support for the proposed bargain with the Russians. “It entirely depends on what the structure is, what’s involved, who’s giving what and when,” said Kerry, who added that the missile sites in Europe should be evaluated based on their technological effectiveness and balanced against other national security priorities.

In the House, John P. Murtha, D-Pa., the chairman of the Defense Appropriations Subcommittee, also backed linking deployment of the European shield to Russian help on the Iranian program. “I think we have to do that; we have to negotiate,” Murtha said. “We can’t do it ourselves, the Russians have to help us, so this makes complete sense to me. Let’s look at taking our missile sites out of there if the Russians are willing to help us.”

Not every Democrat has backed the approach, however. Ellen O. Tauscher, D-Calif., chairwoman of the House Armed Services Strategic Forces Subcommittee, has previously said she does not support linking the two issues.

Resistance to Depending on Other Nations

Meanwhile, senior Republicans, including several staunch advocates of missile defense, have resisted the idea of making the European site an asset that can be negotiated away in return for Russian help with Iran.

Sen. John Cornyn, R-Texas, chairman of the National Republican Senatorial Committee, said abandoning the European site would mean hinging security on Iranian promises not to proceed with nuclear and missile programs. "I think it's a bad mistake," he said. "You are putting your safety and security in the hands of Iran and their ability or willingness to keep a promise."

Senate Minority Whip Jon Kyl, R-Ariz., said he wasn't sure the Russians could be counted on to ensure that Iran would behave in a certain way. "The Russians may or may not be able to deliver an Iran without a nuclear capability," he said.

House Republicans echoed these concerns. "It would be derelict to trade our most cost-effective means of defending the U.S. homeland, and U.S. interests abroad, for the hope that Russia may be able to convince Mr. Ahmadinejad to suspend the Iranian Republic's nuclear program," said Trent Franks, R-Ariz., a member of the Armed Services Committee, in reference to Iranian President Mahmoud Ahmadinejad.

#13

European group to EU: Snub Durban II JTA, March 3, 2009

The European Jewish Congress called on the European Union to boycott an upcoming United Nations anti-racism conference.

Calling the language and tone of the Durban II draft outcome document "completely unacceptable for an official U.N. document," EJC President Moshe Kantor said Monday that "Now is the time for EU countries and leaders such as French President Nicolas Sarkozy, British Prime Minister Gordon Brown and German Chancellor Angela Merkel to take the lead on issues of human rights and racism in the U.N., and to make a strong and clear stand against the Durban Review Conference.

"Durban II, as it currently stands, is an affront to all those seeking to ensure human rights and the eradication of racism, xenophobia and anti-Semitism," he said. "We applaud the United States for refusing to participate in this kangaroo court against Israel."

The United States, Israel and Canada said they will not attend the April conference in Geneva, Switzerland. The 2001 conference in Durban, South Africa, was filled with anti-Israel and anti-Jewish invective.

No further meetings on the draft documents are scheduled.

Kantor and other leaders of the EJC, the umbrella organization for Jewish communities in Europe, will raise the issue of the anti-racism conference during a meeting Wednesday with a representative of the EU Czech presidency, Czech Deputy Prime Minister for European Affairs Alexander Vondra.

A draft of the closing statement prepared for the Durban II conference says that Israel's policy in the West bank and Gaza is a "violation of international human rights, a crime against humanity and a contemporary form of apartheid," the Israeli daily Ha'aretz reported Tuesday after obtaining a copy of the statement.

Israel is also accused of committing "a foreign occupation founded on settlements, laws based on racial discrimination with the aim of continuing domination of the occupied territories," and is called "threat to international peace and security."

The draft also expresses "deep concern" over Israel's practices of "racial discrimination against the Palestinian people as well as Syrian nationals of the occupied Syrian Golan and other inhabitants of the Arab occupied territories."

#14

EU countries oppose Muslim views on racism meeting

By Eliane Engeler

Associated Press, March 3, 2009

European Union countries Tuesday stepped up their opposition to Muslim attempts to shield Islam from criticism and attack Israel through a U.N. conference on racism.

EU members were unusually outspoken in appearances before the U.N. Human Rights Council, saying they were worried about preparations for a global racism conference to be held next month because attention was being diverted from the real problems of racial discrimination.

"I am deeply disturbed by the turn this event is taking," Dutch Foreign Affairs Minister Maxime Verhagen said.

"The thematic world conference is used by some to try to force their concept of defamation of religions and their focus on one regional conflict on all of us," Verhagen told the 47-member council.

References to Israel and protection of religion in the current draft conclusion being negotiated for the so-called Durban II conference are unacceptable, Verhagen said.

"We cannot accept any text, which would put religion above individuals, not condemn discrimination on the basis of sexual orientation, condone anti-Semitism or single out Israel," he said. Denmark, Germany, Belgium and Italy voiced similar concerns.

Islamic countries, still angry over cartoons and films attacking Muslims, have been campaigning for wording that would equate criticism of a religious faith with a violation of human rights. The informal negotiations have proven difficult with many issues that marred the first U.N. conference on racism in 2001 re-emerging — such as criticism of Israel.

The April 20-25 meeting is designed to review progress in fighting racism since the global body's first such conference eight years ago in Durban, South Africa. That 2001 meeting was dominated by clashes over the Middle East and the legacy of slavery, and particularly marred by attacks on Israel and anti-Israel demonstrations at a parallel conference of non-governmental organizations.

The U.S. and Israel walked out midway through the 2001 conference over a draft resolution that singled out Israel for criticism and likened Zionism — the movement to establish and maintain a Jewish state — to racism. The European Union also refused to accept demands by Arab states to criticize Israel for its "racist practices."

In the end, the 2001 conference dropped criticism of Israel. It urged governments to take concrete steps to fight discrimination and recognized the plight of the Palestinian people and the need for Israel to have security.

Israel and Canada had already announced they would will boycott Durban II. The Obama administration said Friday the U.S. will stay away from this year's conference unless its final document is changed to drop all references to Israel and the defamation of religion.

Iranian Foreign Minister Manouchehr Mottaki said Monday that countries should not put conditions for the participation in the meeting. Durban II should deal with contemporary forms of racism, such as religious profiling and Islamophobia, he said.

#15

Deportation of rabbi in Russia alarms Jewish leaders

By Grant Slater

JTA, March 3, 2009

Nearly three years ago, Rabbi Yisroel Silberstein uprooted his wife and young son from New York and moved with them to the far eastern edge of Russia to start a new life as a Chabad emissary.

As with most Chabad-Lubavitch rabbis in Russia, it was a lifetime appointment. The mission: to nurture an enfeebled Jewish community of about 6,000, where intermarriage rates surpass 95 percent.

Cognizant of the challenges, Silberstein said he relished the opportunity.

He won't have the chance to tackle it -- at least for now.

Last week, a Russian court expelled Silberstein from the country and barred his return for five years.

"This is a Jewish community that was very far away with no real Jewish leadership," he told JTA in a telephone interview from New York. "People don't even know that they're Jewish, and we came to change that."

Silberstein's deportation has set off alarm bells within Russia's largest Jewish umbrella group, the Chabad-run Federation of Jewish Communities.

The group has taken the rare step of openly criticizing Russian authorities and suggesting that anti-Semitic sentiments are behind the deportation order.

"Such things couldn't have happened without latent or open anti-Semitism," federation spokesman Baruch Gorin told JTA. "That could be a signal to the community and to the federation that we are not welcome here, that they don't want the opening of new synagogues, schools and so forth."

Chabad in Russia relies heavily on foreign-born rabbis -- mostly from Israel or its global headquarters in Brooklyn -- to nurture and oversee its projects in Russia's far-flung regions. More than 100 foreign-born rabbis and their families are scattered across Russia, most of them on yearlong visas, Gorin said.

Other Jewish organizations with operations in Russia, such as the Jewish Agency for Israel and the American Jewish Joint Distribution Committee, also rely on foreign staff, but they have not reported similar troubles.

In Silberstein's case, he was given three hours' notice that he would need to appear in court in the regional capital of Vladivostok, a port city on Russia's Pacific coast, where he served as Chabad's head rabbi.

#16

Medvedev: Russia needs new top people

By Vladimir Isachenkov

AP, March 4, 2009

President Dmitry Medvedev said Wednesday that Russia's government needs new people in top positions, a signal that he wants more clout in leadership circles dominated by allies of his predecessor Vladimir Putin.

Russia's worst economic crisis in a decade has produced signs of strain in Medvedev's tandem rule with Putin, now prime minister. Medvedev has repeatedly questioned the government's response to the crisis in remarks seen as veiled criticism of Putin, who is responsible for the economy.

Meeting with potential candidates for senior government jobs, Medvedev said the failure to regularly rotate top officials has eroded the government's efficiency.

"We can't move forward because the personnel reshuffle, the emergence of new people, has been very slow," Medvedev said. "We keep shuffling the same deck of cards."

Medvedev met with several dozen officials, academics and public activists who recently had been pinpointed by the Kremlin as potential candidates for senior government jobs. He said his administration has singled out 1,000 potential candidates for government jobs and will continue reviewing the list regularly.

The "personnel reserve" is needed to improve the government's work, he said.

Medvedev, tapped by Putin as his favored successor, has brought few allies into positions of influence since his inauguration last May. A major push for a bigger say on personnel issues could set him on a collision course with Putin, who is widely seen as still calling the shots in Russia.

Putin, a longtime KGB officer, brought numerous colleagues from the security services into top positions, and many of his appointees have retained senior positions in both Putin's Cabinet and Medvedev's Kremlin. Government critics say the entrenched bureaucracy has held back efforts to make the economy hardier by diversification away from reliance on energy revenue.

Medvedev, a former lawyer, has called for strengthening the rule of law and civil society. But he has not taken visible action to revise the policies of Putin, who methodically curtailed Russia's post-Soviet freedoms as president.

Recent remarks by an influential Kremlin insider suggest that he faces a steep uphill battle if he tries to alter Putin's course.

Vladislav Surkov, a chief engineer of Putin's policies who has retained his position as Kremlin's deputy chief of staff, sharply rejected liberal Russians' calls for softening the nation's political system in a speech this week.

"Our political system is working," Surkov said. "Imagine what would happen if our political system were looser and more lax, more in the spirit of the 1990s. If we entered this period of turbulence in a less steady condition, the damage to the state would have been much bigger."

#17

Beware of Doing Deals With Putin By Garry Kasparov Wall Street Journal, March 5, 2009

Vladimir Putin's regime is fighting for its political life. That's the good news. But the bad news is that the Obama administration is sending out mixed messages that may help the Russian autocratic regime survive.

On Friday, Secretary of State Hillary Clinton will meet with her Russian counterpart, Sergey Lavrov, in Geneva, Switzerland. The agenda will include talks on arms control and NATO. But in the forefront of everyone's mind should be the secret letter that President Barack Obama recently sent to Russian President Dmitry Medvedev. The New York Times broke the story this week, reporting that Mr. Obama's letter proffered a deal for the U.S. to "back off deploying a new missile defense system in Eastern Europe" in exchange for Moscow's help in stopping Iran from "developing long-range weapons."

The thinking here is not sound. Russia's overwrought protest against antimissile systems never sprung from any genuine strategic fear. It was always a ploy and a distraction from its real agenda.

Mr. Putin -- who is now prime minister of Russia -- relies heavily on oil revenues to maintain his grip on power. It is in his interests to increase tensions in the Middle East as a way of driving up global oil prices. There is no deal the U.S. can cut to stop Mr. Putin's Russia from arming Mideast terrorists and helping Iran's nuclear program.

Secret letters aside, there are other troubling signals coming out of the Obama administration. One such sign came last week in Japan, where Mrs. Clinton talked about the "three Ds" of U.S. national security. She listed defense, diplomacy and development. But she left off the vital fourth "D" -- democracy. The omission was no doubt welcomed by Mr. Putin.

Another troubling sign came in Munich, Germany, last month, where Vice President Joe Biden talked about the need for "pushing the reset button" on America's relationship with Russia. But pushing reset won't pressure Mr.

Putin into acting responsibly on the world stage. It will only obscure, for a time, Russia's malignant and contagious virus of authoritarianism.

While all these deals and olive branches are being extended to the Kremlin, there is ample evidence suggesting that the Putin regime is teetering toward collapse. One sign: Russia is beefing up its federal security forces in order to violently repress public protests. Last month, for example, the regime created the "National Center of Crisis Management," which will deploy uniformed troops against "disturbances."

It probably won't be enough to quell public anger. Protests are increasing in Russia because many voters didn't care that their elections were rigged until inflation started squeezing them. Time has run out on the illusion of economic prosperity for the average Russian.

Meanwhile, the Russian National Welfare Fund -- created to back up the state pension system -- is being raided to prop up the monopolistic industries belonging to Mr. Putin's closest allies. Billions are being handed out to the likes of oligarchs Oleg Deripaska, Sergey Chemezov and Roman Abramovich -- money that is going to service debt, not to develop industry.

When even billionaires are feeling the pinch, this may not be enough to arrest the slide. In the past year, according to the magazine *Finans*, the number of Russian billionaires was cut in half to 49 from 101. Many of those who remain may be billionaires only on paper; it appears that many of them have debts that exceed assets. This may be why Mr. Putin attended the World Economic Forum in Davos recently to push debt forgiveness.

Consider also that the Kremlin just struck a deal with China to send Russian oil to China at rock-bottom prices (under \$20/barrel) for 20 years in exchange for \$25 billion in loans. Powerful countries don't cut such deals unless they are desperate for cash. What's happening in Russia is that we are witnessing the survival gambit of a corrupt regime. The question is whether the West will bail out the Russian dictatorship or let it fall.

Some may doubt the fragility of the Putin government. But there are plenty of examples in history of supposedly entrenched regimes falling quickly. In late 1989, many in the West were surprised to see the Velvet Revolution in Czechoslovakia. Others didn't foresee the sweeping away of totalitarian regimes in Poland and Hungary.

Mr. Putin and his allies live in fear of a popular uprising because it would likely force them into bankruptcy, exile and even prison. They cannot be expected to operate Russia as a rational state actor. Indeed, they may relish a violent clash with a contrived enemy in hopes of building nationalistic support -- the war with Georgia this past summer may just be a prelude.

The West must not be tempted by a desire to maintain comfortable relations with the current government in charge of Russia. After years of criminal mismanagement, the Russian economy is falling apart more rapidly than those of other industrialized nations. The popular outrage that will lead to regime change will stem from the public realization that the Russian economy is in worse shape than other leading nations.

In fact, it is no longer taboo in Russia to speak openly of the post-Putin era -- even among regime loyalists. The foreign businessmen and politicians eager to play ball with Mr. Putin should bear in mind that in all likelihood Mr. Putin will not be around that much longer. Nor will the dubious deals that he and his friends are making in Russia's name for their own profit go unexamined after they are gone.

Mr. Kasparov, leader of The Other Russia coalition, is a contributing editor of The Wall Street Journal.

#18

No 'Grand Bargain'

By David J. Kramer

Washington Post, March 6, 2009

Russian officials should like what they are seeing from the Obama administration: President Obama has exchanged public comments and personal letters with President Dmitry Medvedev. Vice President Biden declared last month that we ought to press the "reset button" on U.S.-Russian relations. In her meeting today with Foreign Minister Sergei Lavrov, Secretary of State Hillary Clinton is expected to continue ratcheting down tensions. But while improved ties with Moscow are desirable, the Obama team should rein in expectations and avoid the "grand bargain" that some in the United States and Europe have recommended.

The "bargain" is simple: In exchange for Russian cooperation on containing the Iranian nuclear threat and other strategic issues, the United States would, to varying degrees, scale back its relations with Russia's neighbors, pause on missile defense plans and stay quiet about Russia's deteriorating human rights situation. For the United States to hush up about the crackdown would have been unthinkable before Clinton's disappointing suggestion in China last month that we should not allow human rights problems to "interfere" with more important matters. If they are smart, the Russians will seek a similar arrangement.

Many questions are raised by such a trade-off: What price would secure Russian cooperation on Iran? Who exactly is going to tell Ukraine or Georgia that we have returned to a "Russia first" policy? Does anyone believe that saying nothing about Kremlin crackdowns on domestic opponents would keep Moscow on board? And what if all this isn't enough? Moscow is likely to keep raising the fee for its cooperation -- in effect, extorting the United States.

For years, Bush administration policy toward Russia revolved around efforts to work with Moscow wherever possible but to push back whenever necessary, especially after the invasion of Georgia. Our Russia policy was far from perfect the past eight years, but the chief problems lie in Moscow, and improved relations are unlikely until they are sorted out.

Moscow sees its surroundings in revisionist, zero-sum terms. Russia has tried to maintain a "sphere of influence" along its borders, regardless of neighboring states' desires to lean westward. Moscow is threatened by Ukrainian and Georgian ties with NATO, even though NATO's eastward growth has been a source of stability over the past decade. Russia views multiple pipeline routes from Central Asia and the Caucasus as a risk to its monopolistic hold on regional energy resources. It has supported secessionist movements in Georgia and Moldova, and it even wants to establish military bases in the separatist regions of Abkhazia and South Ossetia, both of which it has recognized. And Moscow's role in Kyrgyzstan's decision to close a key U.S. air base last month raises questions about what sort of cooperation Russia's leaders would offer on Afghanistan. Moscow's thinking must change if the principal source of friction between Russia and the West and Russia and its neighbors is to disappear.

Just after Obama's election victory, Medvedev threatened to install short-range missiles near Poland if the United States continued with a missile defense system that the Bush administration advanced to counter an Iranian nuclear threat. Russia cannot accept that Poland and the Czech Republic are independent states -- much less members of NATO and the European Union -- that are cooperating with the United States on a missile system focused on Iran. Nor can it accept that they are not a threat to Russia's own (massive) nuclear capability.

The United States and Russia should be working together to counter Iran. It is in neither country's interest for Iran to become a nuclear state. Yet despite eventually agreeing to watered-down U.N. resolutions on Iran, Russia has sold Tehran anti-missile systems and threatens to sell the mullahs more advanced weaponry. In February a Russian deputy foreign minister rejected the idea that Moscow would get "tougher" with Tehran. And this week Medvedev rejected any missile defense-Iran deal. Russia's deteriorating economy and domestic discord are spooking Kremlin authorities, as was clear from Moscow's decision to send special forces to shut down protests in Vladivostok in December because local authorities weren't trusted to maintain control. Murders of journalists and human rights activists continue with no accountability and amid a growing sense of fear. Cracking down is the only approach Russian leaders seem to know.

Any "grand bargain" the United States makes with Russia would be viewed in Moscow as a sign of U.S. desperation. A major American shift in missile defense policy absent a real retreat by Iran would be seen as a sign of weakness and would undercut friendly governments in Warsaw and Prague. Yes, the United States should work with Russia on issues including Iran, North Korea, counterterrorism, arms control and Afghanistan. But both sides must show interest in cooperation; above all, we must not bargain away our relations with Russia's neighbors or our own values.

The writer was assistant secretary of state for democracy, human rights and labor as well as deputy assistant secretary of state responsible for Russia, Ukraine, Belarus and Moldova in the George W. Bush administration.