

WASHINGTON, D.C. November 20, 2009



TO: NCSJ Leadership and Interested Parties

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

In Brief: Combating Hate; JNF Mission; Ukraine, Russia Politics

Dear Friend,

As we approach the end of the year, a full agenda of issues remains for the Jewish communities of the former Soviet Union (FSU) to confront. Having returned from a mission to Moscow last week, I am more convinced than ever before that our support is still required – both politically and economically.

As Russia begins to emerge from its own economic difficulties, it is becoming more assertive internationally, but it has been lax in addressing certain domestic concerns.

Russia's foreign policy agenda affects both the United States and Israel, and NCSJ is in regular contact with its government officials on issues ranging from Iran to anti-Israel resolutions in the United Nations to the rise of xenophobia and ultra-nationalism.

The growth of neo-Nazi and skinheads groups, who blame ethnic and national minorities for the Russia's economic woes, needs serious attention from the government. Another murder of a human rights activist occurred this week in Moscow. There is a good article about this latest hate crime in the update.

This week, the Organization for Security and Co-operation in Europe (OSCE) issued its annual Hate Crimes Report and concluded that hate crimes remain a serious problem throughout the OSCE region, including the former Soviet Union, Europe and North America. The report cites numerous examples, but one of the biggest problems is the underreporting of hate crime incidents by OSCE member governments. We have included several stories in the update about this important report.

As I mentioned above, NCSJ and the Jewish National Fund co-sponsored a senior leadership mission to Moscow in November, led by NCSJ Chairman Richard Stone and JNF leader Larry Cohen. It was an opportunity for one of our member agencies to see first-hand what life is like for one of the Diaspora's largest Jewish communities, and to see the work of NCSJ. We met with Moscow Jewish community leaders, Russian Foreign Ministry officials and the Israeli and U.S. Ambassadors. In addition, the group visited a number of significant Jewish sites, including the Choral Synagogue. It was the first visit to Russia for most of the JNF participants, and I know it made a lasting impression on them.

NCSJ was well represented at this year's Jewish Federations of North America General Assembly. NCSJ President Alexander Smukler participated in a panel discussion on the state of Russian Jews in our larger community. As a former refusenik activist and current community leader, Sasha provided a unique perspective for the overflowing audience. We also had the opportunity to meet with many Federation leaders to discuss our work in the FSU.

As you may remember, NCSJ has repeatedly called on the Ukrainian government and political establishment to condemn the recent anti-Semitic outbursts by Uzhgorod Mayor Sergey Ratushnyak. Unfortunately, Mayor Ratushnyak has decided to run for president in the January 2010 election. He is one of 20 individuals to meet the

necessary requirements to be listed on the ballot. While no one expects him to win, he will be provided an unprecedented platform to spread his message of hate.

NCSJ is calling upon the government and the other presidential candidates to distance themselves from Mayor Ratushnyak by stating emphatically that his beliefs have no place in Ukrainian society and will not be tolerated during the campaign.

The many positive steps taken by the Ukrainian government in the last few months could be lost in an avalanche of publicity if immediate action is not taken.

If it's November, then its time for another round of problems between Ukraine and Russia on the delivery of natural gas through Ukraine to the rest of Europe. Is this merely a commercial dispute or is it tied to the upcoming Ukrainian presidential election, or both?

Also in this week's update, there are several stories about the Medvedev-Putin relationship. In Washington and other world capitals there is a growing belief that the two are moving apart and that President Medvedev is becoming more independent of his mentor. Interestingly, while I was in Moscow, most people I spoke to expressed just the opposite view. At least from a Muscovite's perspective, the two remain in sync.

Finally, I want to remind you of next month's Annual Board of Governors meeting in Washington, D.C. The meeting will take place on Tuesday, December 8, from 10:00 a.m. - 1:00 p.m., in our national offices. We will focus on the implications of the "reset" by the Obama Administration, the upcoming Ukrainian presidential election and recent Jewish activities in the FSU. Please visit <http://www.ncsj.org/Board.html> to RSVP. I hope you can join us.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark B. Levin". The signature is fluid and cursive, with the first name "Mark" being particularly prominent.

Mark B. Levin
Executive Director

NCSJ WEEKLY NEWS BRIEF
Washington, D.C. November 20, 2009

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#1a

**Rent hike sends Russian groups packing
JTA, November 18, 2009**

A major rent increase forced the Jewish charitable organizations in a Russian city out of their offices.

The groups in Obninsk left the premises last month after the Russian government agency that owns the properties tripled the rent, according to the Federation of Jewish Communities of the CIS.

The rent for similar nongovernmental organizations in Obninsk, a city of about 105,000 located approximately 100 miles southwest of Moscow, reportedly did not rise.

The Jewish community has appealed to city officials to help provide facilities or land for the construction of a Jewish community center.

#1b

Ukraine OKs presidential run for controversial mayor JTA, November 18, 2009

A Ukrainian mayor who said Jews are to blame for all of the country's problems can run for president.

Ukraine's Central Elections Committee last week authorized the candidacy of Sergey Ratushniak, the mayor of Uzhgorod, for the Jan. 17 elections.

On Wednesday, 20 Israeli parliament members sent a letter to Ukrainian officials condemning the decision, the Jerusalem Post reported. The letter expressed concern that there is a "wave of anti-Semitism in the Ukraine that has come to a peak with the authorization of Ratushniak, the current mayor of Uzhgorod, to run for President."

Ratushniak "has the viewpoint of a Nazi. He denies the Holocaust, and has threatened the Jewish community. He caused an outbreak of hatred towards our people and the State of Israel," the letter says, according to the Post.

Three months ago, Ratushniak reportedly assaulted a woman, 21, as she campaigned for a political initiative near the university in Uzhgorod, located in western Ukraine at the Slovakia border. The mayor also openly made anti-Semitic statements and anti-Israel remarks.

Ratushniak was commenting on activities of the Front for Change initiative headed by parliament member Arseniy Yatsenyuk, a leading presidential candidate whose parents reportedly were Jewish, when he said, "Impudent Jew Yatsenyuk, who was successfully serving to thieves, who are at power in Ukraine, is using criminal money to plow ahead towards Ukraine's presidency."

Ratushniak also said that "Criminal Jew Yatsenyuk has apparently decided that these are the elections to a village council somewhere in Israel. So, using criminal money, he gathered drug traffickers and smugglers, and without the permission of the city council is showering our city with the garbage."

#1c

MK to Ukraine: Election heralds new peak in anti-Semitism By Lily Galili Haaretz, November 18, 2009

Twenty Knesset members addressed Ukrainian leaders in a harshly worded letter on Wednesday, condemning the country's decision to let a politician accused of being a rabid anti-Semite run for president.

The letter, which was signed by members representing most of the parties in the Knesset, was addressed specifically to the Ukraine's president, Victor Yushchenko and Prime Minister Yulia Tymoshenko.

The letter spoke about the fear of a new "wave of anti-Semitism in the Ukraine that has come to a peak with the authorization of Ratushnyak, the current mayor of Uzhgorod, to run for President."

"[Ratushnyak] has the viewpoint of a Nazi. He denies the Holocaust, and has threatened the Jewish community. He caused an outbreak of hatred towards our people and the State of Israel," the letter says.

In his mayoral race, Ratushnyak blamed the Holocaust on Jews stealing German property and warned of the same thing happening in the Ukraine.

#1d

For first time, Jewish Agency to meet in the Diaspora

By Haviv Rettig Gur

Jerusalem Post, November 18, 2009

For the first time, the Jewish Agency is considering holding some of its thrice-yearly leadership meetings outside the country, to better acquaint its leaders with the world's Jewish communities.

The Jewish Agency's 120-member Board of Governors meets in Israel in February, June and October. The October meeting is dominated by budget planning for the next year and the June meeting with oversight of agency projects. But February's gathering deals with the less urgent matters of agency operations.

According to an agency source, there are two goals to the move. The first is to bring the board members into the field, where they can observe first-hand the agency's projects.

"The idea is to show them the activities where they are happening, rather than settling for slide presentations and 'academic' discussions carried in Jerusalem hotel rooms," said the source, a high-ranking official in the organization.

The second goal is to introduce the agency to the Jewish communities, "to show them the relevance of the organization" - and, most important of all, to bring local Jewish activists into the fold as donors to the agency.

"Clearly there is the feeling that unimpeded interaction and direct contact between the local community leaders and the Jewish Agency leaders can expand the circle of donors," the official said.

The plan is still in development. The agency's budget crunch means that the added travel expenses would have to be covered by the inviting community.

"The agency won't spend any money beyond the usual budget of the Board of Governors meetings [in Israel]," the official promised.

According to the plan, the first overseas board meeting would take place as early as this February. It's tentatively slated to take place in St. Petersburg, Russia, though plans with the local community umbrellas are not yet finalized.

#2

A still darker Russia; Once more into the unknown

By Arkady Ostrovsky

The Economist, November 13, 2009

MOSCOW - After ten years of Vladimir Putin's rule, first as president and now as prime minister, predicting Russia's future should have been easier. Mr Putin takes the credit for making Russia more stable than it was in the chaotic 1990s. In the name of this "stability" he took control over Russia's television, its parliament, chunks of its economy and almost all of its politics. He anointed his loyal subordinate, Dmitry Medvedev, as president and himself assumed the role of all-powerful prime minister. As Mr Putin let it be known in September, the next presidential election in 2012 will be decided in similar fashion by him and Mr Medvedev.

Yet Russia's future is as uncertain as ever. This is partly because decisions in Russia depend on Mr Putin's will and on the barely decipherable relationships within the Kremlin, rather than on institutions such as parliament or the

courts. And partly because whatever decisions he makes do not always translate into actions: many of them get bogged down in a corrupt and inefficient bureaucracy.

By all accounts, in the past few years corruption has become worse, the economy has become more dependent on oil and the Soviet-era infrastructure is cracking. Most worryingly, the violence in the North Caucasus has spread from Chechnya to the rest of the region. Reports of killings and explosions come daily from Ingushetia and Dagestan, as well as from Chechnya itself.

In an article published in September 2009, Mr Medvedev wrote about the ineffective economy, the half-Soviet social system, weak democracy, negative demographic trends and an unstable Caucasus. But in the same article he cautioned against rushing through political changes. Like many of Russia's technocrats, he seems to believe that a knowledge-based and innovative economy can develop in a political system that is neither free nor just.

Opinion is divided on what awaits Russia in the next year or so. One view is that Russia faces a choice between becoming more authoritarian, nationalist and aggressive towards its neighbours, or opening up its politics to competition and modernising its economy. Another view is that Russia will keep sliding slowly into stagnation. Which view prevails may largely depend on the oil price: a higher oil price would point to stagnation, a big drop would force Russia to make tough choices.

At home, the best test of Russia's direction in 2010 may be the outcome of the second trial of Mikhail Khodorkovsky, a jailed former tycoon. His trial has become a showpiece of political interference and repression. The first case against Mr Khodorkovsky and his former business partner, Platon Lebedev, was a sham. The second one is absurd: not only has it ignored the principle of double jeopardy, it has also alleged that the very existence of Yukos, once Russia's largest oil company, was illegal. Every day the trial makes a mockery of justice.

Mr Khodorkovsky will almost certainly not be freed. He could get another 22 years in addition to the six he has already served. Or he could get a symbolic one or two years on top of his current sentence, which runs out in 2011.

In foreign policy, Russia's new year will begin with the presidential election in Ukraine on January 17th. Five years ago Mr Putin backed Viktor Yanukovich, the Russia-leaning prime minister, who was brushed aside by the Orange revolution that installed Viktor Yushchenko as president. This was one of Mr Putin's most obvious failures and it left a bitter feeling in the Kremlin. Ever since, Russia and Ukraine have quarrelled bitterly over gas supplies, which in 2009 left large parts of Europe freezing. Another gas row can be safely expected in 2010 and the warning shots have already been fired.

In August 2009 Mr Medvedev sent an insulting letter to Mr Yushchenko accusing him of anti-Russian policies. The letter was publicised in Mr Medvedev's videoblog, which showed him ominously dressed in black and overlooking the Black Sea coast patrolled by two Russian warships. The purpose was twofold: to spite Mr Yushchenko, who is almost certain to lose the election anyway, and to send a signal to his successor. In the eyes of the Kremlin, Ukraine is a failed state. After its war in Georgia in 2008, Russia feels it is time to establish its rightful influence in Ukraine. A new law introduced by Mr Medvedev simplifies Russia's use of its armed forces abroad and indicates that nothing has been ruled out.

On May 9th Russia will celebrate the 65th anniversary of its victory in the second world war. Mr Putin has argued that, after the treacherous Munich treaty of 1938, Stalin had no choice but to sign a secret pact with Nazi Germany that divided Poland. Russia may choose to celebrate the anniversary as a common victory over fascism. Or it may use it to justify Stalinism.

#3 Mr. Medvedev's glasnost: Does his blunt description of what ails Russia portend real change?

Editorial

Washington Post, November 14, 2009

Russian President Dmitry Medvedev certainly talks a good game. Before taking office last year, he correctly diagnosed the country's biggest problem as "legal nihilism." The fact that lawlessness has worsened since then

doesn't make Mr. Medvedev seem dishonest -- just powerless. On Thursday he delivered a 140-minute "state of the nation" speech that spelled out much of what has gone wrong during the authoritarian regime of Vladimir Putin. History suggests that this, too, won't presage much change. But the spectacle of Russia's president speaking the truth about his country was in itself a startling sight in the Putin era.

Mr. Medvedev's basic point was that Mr. Putin had failed to move Russia away from the relatively backward economy, rotten infrastructure and aggressive foreign policy of the former Soviet Union. He recited a damning litany of legacies: "a primitive raw materials economy"; "an archaic society in which the leaders think and decide for everyone"; and "chaotic" foreign and domestic policies "dictated by nostalgia and prejudice." We couldn't have said it better.

Mr. Medvedev again acknowledged his country's runaway corruption, including in its security forces. He boldly stated that "our most serious domestic political problem" lies in Chechnya, Ingushetia and other Caucasus republics, where "the level of corruption, violence and cronyism . . . is unprecedented." He suggested that Russia's foreign policy had been "full of hot air" and ought to become more "pragmatic" and more cooperative with the Western democracies, whose investments and technology Russia needs to modernize.

The "effectiveness" of Russia's foreign policy, the president said, "should be judged by a single criterion: Does it contribute to improving living standards in our country?" That suggests a radical change from Mr. Putin's approach, which has been aimed at restoring Moscow's dominion over former Soviet republics and gaining political leverage over the United States and its European allies.

Several Russian media outlets reported that Mr. Putin, who now holds the post of prime minister, looked unhappy in his front-row seat as Mr. Medvedev spoke. But there's no telling for sure whether the speech represented a challenge to Mr. Putin's authority or an effort to create the sort of inviting but false facade that has been a feature of Russian politics for centuries. Opposition activists were quick to note that Mr. Medvedev had nothing to say about the murders of human rights activists and journalists, or about the gross fraud recently perpetrated by the ruling party in local elections; they dismissed his modest list of political reforms as meaningless.

Still, it's worth remembering that the political transformation that led to the fall of the Berlin Wall 20 years ago this month began with another Kremlin leader, Mikhail Gorbachev, speaking unaccustomed truths about his country. A lot of people then believed that Mr. Gorbachev didn't mean it, or had no ability to act on his words; they were proved wrong. Let's hope that those of us who have doubted Mr. Medvedev's capacity to reverse Russia's descent into authoritarianism and aggression will be pleasantly surprised as well.

#4

Nationalists Suspected in Russian Activist's Death

By Michael Schwartz

New York Times, November 18, 2009

MOSCOW — A young antiracist campaigner who frequently clashed with Russian nationalists has been killed in Moscow in what investigators and analysts suggest is probably part of an increasingly violent conflict between ultranationalists and groups that oppose them.

The 26-year-old victim, identified by antifascist groups and Russian news agencies as Ivan Khutorskoi, was shot in the head in front of his apartment building in eastern Moscow on Monday evening, the investigative wing of Russia's Prosecutor General's Office said in a statement on Tuesday. The statement, which did not identify the victim by name, said he was killed possibly because he was "an active participant in the antifascist movement."

An unidentified police source was quoted by the Interfax news agency as saying that investigators were checking several nationalist groups for possible links to the killing.

Mr. Khutorskoi's violent death is reminiscent of several fatal attacks in recent years against people associated with Russia's so-called antifascist movement, a loosely organized group of mostly young activists that evolved in response to rising xenophobic and racist violence in Russia.

Darker-skinned Russian citizens and migrant workers are frequently the targets of attacks, with dozens dying each year in racist and xenophobic murders. Violence against antifascist campaigners, however, is not uncommon.

This month a man with ties to violent nationalist groups confessed to the murder last January of Stanislav Markelov, a lawyer, and Anastasia Baburova, a journalist, both of whom had connections to antifascist circles. Nikita Tikhonov, who has been charged as the shooter, said he killed Mr. Markelov out of revenge.

He did not elaborate, but a man with the same name had been wanted for the 2006 killing of an antifascist campaigner whom Mr. Markelov had represented.

Mr. Khutorskoi had been a visible campaigner against neofascist groups and the victim of several attacks in recent years, including one in 2005 that left him hospitalized.

An acquaintance of Mr. Khutorskoi, who asked to be identified only as Masha, confirmed in a telephone interview that he had been killed. She said that Mr. Khutorskoi, who was a social worker by profession, was a popular and influential member of antifascist and anarchist circles in Moscow — a fact that made him a likely target of violent neofascists.

“Every person who calls himself an antifascist risks the possibility of being killed,” she said.

In response to the violence, antifascist groups have increasingly adopted the tactics of their enemies, carrying out attacks against known nationalists, said Aleksandr Verkhovsky, director of the Sova Center, which monitors nationalist violence. He said the movements were locked in a simmering street war that appeared to intensify of late.

“They are certainly using more serious weapons,” he said. “Several years ago there were just fights and maybe they used sticks. Now knives are common and pistols are used frequently.”

#5

Antiracists and far-right youths battle in Moscow

By Mansur Mirovalev and Steve Gutterman

AP, November 18, 2009

MOSCOW — A simmering confrontation between far-right youths and anti-racist activists has erupted into Moscow's streets after the fatal shooting of an anti-racist activist known as the Bonebreaker.

The violence stems from deep animus between two aggressive camps with starkly different visions of Russia's future — neo-Nazi skinheads who rank in the tens of thousands and militant anti-racist groups that call themselves Antifa, short for anti-fascist.

Former punk rocker Ivan Khutorskoi, 26, provided security for meetings of antifascists. He also was known for organizing underground bare-knuckle boxing matches among them, and taking part in violent attacks on ultranationalists.

Khutorskoi was gunned down in his apartment building on the city's outskirts Monday night. A day later, dozens of masked men pelted the headquarters of the pro-Kremlin youth group Young Russia with stones, trash and steel rods, Young Russia's leader said.

Kremlin critics say Russia's leadership created Young Russia and similar youth organizations to keep its political opponents in check and provide support, and sometimes muscle, on the streets. Anti-racist groups claim they have close ties with the ultranationalists they call fascists or Nazis.

Nobody was hurt in the attack late Tuesday on the office of Young Russia. But its message, delivered first with projectiles and then over the Internet, seemed clear.

"If no one but us tries to stop Nazis and those who provide cover for them, we will act by all means necessary," blogger Anarcho Punk wrote Wednesday. Other anti-racist bloggers said the attack was retaliation for what they claimed were the group's links to Russian neo-Nazis. They "dedicated" the assault to their leader, Khutorskoi — an outsized figure and a role model among antifascists, who say he had survived three previous assassination attempts. He was shot twice in the back of the head near the door to his apartment on Moscow's eastern outskirts, police said.

Khutorskoi sometimes provided security at press conferences of Stanislav Markelov, a human rights lawyer hated by ultranationalists — but not at the one last January after which Markelov and a journalist were fatally shot on the street.

Antifa groups have been rapidly adding to their ranks in Russia in recent years, said Galina Kozhevnikova, the director of Sova, a respected independent hate-crime watchdog monitoring group. She said their ideology attracts leftist-minded youth and people concerned about persistent hate crimes and xenophobia in today's Russia.

"The army of ultranationalists is definitely bigger, as the movement is much older," Kozhevnikova said.

Pro-Kremlin youth groups like Young Russia are also a significant force. Experts believe their emergence was a Kremlin response to the 2004 Orange Revolution in Ukraine, where youth groups played a key role in street protests that ushered a pro-Western presidential candidate to power.

Young Russia is known for street rallies and pranks against anti-Kremlin politicians. The group has also been involved in attacks on anti-government protesters and opposition youth activists.

Young Russia's leader, Maxim Mishchenko, said about 80 masked men attacked the office in central Moscow. A 22-year old attacker was seized by Young Russia activists and handed over to police, he said.

Anti-fascist bloggers claimed Mishchenko, a Russian parliament member with Prime Minister Vladimir Putin's United Russia party, has close ties with Russky Obraz, a radical ultranationalist group that antiracists claim was behind Khutorskoi's killing.

Mishchenko denied the allegations, calling them "as absolute lie."

A spokesman for Russky Obraz, Yevgeny Valayev, told The Associated Press that the group had "no Kremlin-appointed supervisors" but had cooperated with Mishchenko on several initiatives, including an extreme nationalist march in Moscow early this month.

#6

Russian lawyer who accused police of corruption dies in prison

By Philip P. Pan

Washington Post, November 18, 2009

A Russian lawyer jailed after uncovering evidence of police involvement in the theft of \$230 million from the government has died in prison, officials said Tuesday, and his American partner is accusing the authorities of killing him.

Sergei Magnitsky, 37, a specialist in tax law and father of two, died at Moscow's Butyrskaya Prison of apparent heart failure Monday night, said Irina Dudukina, an Interior Ministry spokeswoman.

But Jamison Firestone, the head of Magnitsky's firm and a board member of the American Chamber of Commerce in Russia, said the authorities had denied Magnitsky treatment for serious illnesses and may have killed him to hide the crime he helped expose.

"I think we're dealing with one of two things here. . . . Either way, they killed him," Firestone said. "Whether they meant to do it over the weekend, or whether he died under pressure after they took a series of actions that destroyed his health and refused to treat him, it isn't necessarily relevant."

Magnitsky was arrested nearly a year ago on tax evasion charges related to his work for London-based Hermitage Capital Management, once the largest foreign investor in Russia's stock market. Hermitage says the charges were trumped up to pressure him into incriminating its chief, William Browder, who was expelled from Russia in 2005 while crusading against corruption in state firms.

Hermitage sold its Russian assets but says its attorneys found that criminals working with top police officials then used its holding companies to obtain a fraudulent tax refund of \$230 million.

When Hermitage reported the plot last year, police went after the lawyers, several of whom fled the country. The Interior Ministry acknowledged the \$230 million theft but prosecuted only a sawmill employee named in the fraudulent corporate documents.

Browder described Magnitsky as "a brave man whom we loved" and demanded a high-level probe. "It's an unspeakable tragedy that a healthy 37-year-old can enter prison and 11 months later die from his mistreatment. It raises grave questions about who's responsible for his death," he said.

The U.S. ambassador had urged Russia to investigate Magnitsky's detention last month, and Britain's foreign secretary also raised the matter, Browder said. Neither Prime Minister Vladimir Putin nor President Dmitry Medvedev have commented on the case.

Firestone said Magnitsky was subjected to increasingly harsh conditions because he refused police demands to give "appropriate testimony."

Prison doctors diagnosed his pancreatic and gallbladder ailments in June and planned surgery, but he was abruptly transferred to Butyrskaya, where he was denied care, according to an account he wrote. He suffered such intense pains that cellmates often shouted for guards to help him, Firestone said.

Dudukina denied that Magnitsky had complained about his health. But his account records 11 written complaints with the prison, and he filed a court motion in September demanding a medical exam. The motion was denied.

A court would have been required to indict Magnitsky or release him next week, but a judge accepted new evidence Thursday without letting his attorneys study the material. Furious, Magnitsky asked to skip future hearings and fire his attorneys, saying their presence only gave credibility to a farce, Firestone said. That motion was denied, too.

#7

Belarus opposition calls for closer ties with EU

AFP, November 15, 2009

MINSK — Hundreds of Belarussians from the opposition gathered Saturday in the capital Minsk for a "European forum" to encourage closer ties with the European Union, ahead of a meeting in Brussels next week.

"Belarus needs economic, political and social modernising, and our principal partner of course is the EU", said the leader of the main opposition party Movement for Liberty, Alexander Milinkevitch.

EU nations next week will approve talks on boosting cooperation with Belarus, and refrain from enforcing a travel ban on its leaders, according to EU officials.

The pro-European Belarussians gathered with EU flags in the suburb of Minsk with the aim to summarise their objectives and appealed to Belarussian authorities to respect their civil liberties.

In a video-recorded message to the forum, former Czech president Vaclav Havel said he was "sure that sooner or later we will welcome our Belarussian friends into the EU".

Many participants said the very staging of the forum showed progress compared with the situation two or three years ago, when President Alexander Lukashenko's regime clamped-down hard on all opposition.

Lukashenko, once dubbed "Europe's last dictator" by the United States, has ruled the ex-Soviet republic of 10 million people since 1994 but has made recent attempts at greater openness including hiring a Western PR firm and cautious economic reform.

Milinkevitch describes the changes in society as "cosmetic", except for the release of political prisoners, but told AFP that "even though there is an authoritarian regime, we want to engage in proper relations with the EU".

"In Belarus the number of people who want to see their country in the EU is rising and this forum represents these people", said the deputy of Movement for Liberty, Viktor Karneyenka.

"We want to take part in the development of a strategy for EU-Belarussian relations", Karneyenka said, emphasising they must not "be content to observe the dialogue between Belarus and the EU. We must participate in it".

Many European representatives were present at the forum, including Polish member of the European parliament Jacek Protasiewicz, who said "Belarus needs Europe, but the EU needs Belarus as well".

#8

EU extends freeze on visa restrictions for Belarus Reuters, November 17, 2009

BRUSSELS - The European Union on Tuesday prolonged a freeze on visa restrictions for top officials from Belarus, but opted not to lift the sanctions entirely due to a lack of progress on political reform.

The European Union imposed visa bans on Belarus President Alexander Lukashenko and dozens of other officials after he was accused of rigging his 2006 re-election. The bans were suspended in October 2008 in order to encourage reforms.

A statement approved by EU foreign ministers meeting in Brussels said the suspension would be extended until October 2010 to encourage further democratic advances.

A freeze on Belarus government assets in the European Union remains in place, as do visa restrictions on four officials linked to the disappearance of political activists, and on the head of the country's election commission.

The EU statement said the recent release of political prisoners had raised the possibility of further cooperation between the EU and Belarus, which is a key transit route for Russian energy supplies to the 27-nation bloc.

But the threat of sanctions will not be scrapped entirely given Belarus's lack of progress on democracy. The EU wants to see electoral reform and movement on human rights, including an end to crackdowns on political activity and the media.

The EU statement said the sanctions would be reviewed by the Council of EU member states in October, and added: "The Council may decide to reapply or lift travel restrictions at any time, in the light of actions by the Belarussian authorities in the sphere of democracy and human rights."

Lukashenko said in September he would not be forced into reforms by the European Union. He said he saw no need to change the country's electoral law and that he may run for a fourth term at presidential elections due in early 2011.

#9

Russia delays Iran's Bushehr nuclear power station

By Katya Golubkova (Writing by Guy Faulconbridge, editing by David Stamp)

Reuters, November 16, 2009

MOSCOW - Russia announced the latest delay to Iran's first nuclear power station on Monday, saying that technical issues would prevent its engineers from starting up the reactor at the Bushehr plant by the year-end.

Energy Minister Sergei Shmatko stressed that politics had nothing to do with the decision, although the United States is seeking Moscow's help in pushing Tehran to allay Western fears about its nuclear program.

"The launch will not happen by the end of the year," Shmatko told reporters when asked if the station in southwest Iran would start up by the end of 2009, as previously scheduled.

"The engineers have to reach their findings," he said. "The building of the Bushehr station is defined absolutely 100 percent by technological conditions."

Russia's nuclear chief Sergei Kiriyenko, who heads the state holding company which controls the builder of the plant, said in February that the Bushehr launch was scheduled for 2009.

Moscow agreed to build the station in 1995 on the site of a plant begun in the 1970s by German firm Siemens. This project was disrupted by Iran's 1979 Islamic revolution and the 1980-88 Iran-Iraq war.

Diplomats say Russia uses Bushehr -- and major arms contracts -- as a lever in relations with Tehran, which is suspected by the United States and other Western powers of seeking to build a nuclear weapon.

Iran, the world's fourth-largest crude oil producer, rejects allegations that it is seeking to build an atomic bomb and says its nuclear program is aimed at generating electricity.

IRAN'S NUCLEAR PROGRAMME

Russian President Dmitry Medvedev said on Sunday after meeting U.S. leader Barack Obama in Singapore that Moscow was not completely happy about the pace of dialogue between Iran and the international community over Tehran's nuclear program.

Obama said time was running out for diplomacy after Iran failed to give a clear answer on a U.N.-drafted proposal to send low-enriched uranium to Russia and France, where it would be turned into fuel for a Tehran medical research reactor.

Russia started deliveries of nuclear fuel for Bushehr in late 2007, a step both Washington and Moscow said removed any need for Iran to have its own uranium enrichment program.

The contract to build the plant is a state secret, though it is estimated to be worth about \$1 billion.

Russia says the plant is purely civilian and cannot be used for any weapons program as it will come under International Atomic Energy Agency supervision. Iran will have to return all spent fuel rods to Russia.

#10

Windfall From Iranian Fray

By Mac Broderick

Moscow Times, November 16, 2009

To the surprise of many, the Russian government last month decided against supporting sanctions on Iran. But despite President Dmitry Medvedev's posturing, Russia's current opposition should not be so surprising.

Russia's opposition stems partly from a simple calculation: It has an immense amount of money to make if the tension regarding Iran continues and a substantial amount to lose if a rapprochement occurs. In light of Russia's recent realization that its financial resources do have their limit, analysts should expect economic considerations to play a larger role in foreign policy going forward.

One factor above all influences Russia's near-term stability: the price of oil. The financial crisis has caused a significant contraction of the country's economy, and the state's preferred countermeasures have not come cheaply. Over the past year, the Central Bank has spent roughly \$200 billion defending the ruble. The government has provided \$50 billion to support companies with large external borrowings, as well as \$40 billion to its banking sector. Throughout the first nine months of this year, the government has run a budget deficit of approximately \$100 billion, or 11 percent of its gross domestic product excluding oil and gas revenue. In short, the government has been burning through its cash at an alarming rate. Its reserves have fallen from their peak of about \$600 billion in 2008 to \$433.9 billion today. In the event of significant further economic difficulties over the next two years, the government could find itself lacking ammunition if it continues spending at its current rate. As a demonstration of its desire to increase its resources, the government recently announced its first long-term bond auction since 2000.

Meanwhile, the consistently high price of oil has buoyed the economy. Through its mineral extraction tax and export duties, the government collects roughly 85 cents on the dollar for every barrel of oil exported. Through October, the price of Urals blend has averaged \$57.40 per barrel, with Russia exporting an average of 7.35 million barrels per day. A rudimentary calculation shows that the government has collected \$357 million per day. This will mean a total of \$130 billion for the year if the current price holds. Based upon these production levels, a \$1 increase in the average price of oil for the year increases revenue by about \$2 billion.

While there have been several geopolitical events affecting the price of oil, the Iranian nuclear impasse has been a significant contributor to the commodity's dramatic price swings. Every time a new incident erupts, Russia reaps the reward of the increased oil price. The upside is even higher for Russia if tensions were to result in an actual conflict and Iranian officials were to make good on their pledges to block the Strait of Hormuz. Whether or not this could be accomplished is subject to debate, but any effort to block the strait would certainly cause a dramatic spike in the oil price. A 2006 Standard & Poor's analysis of a potential closing of the strait forecasted oil rising to \$250 per barrel, netting Russia a windfall upward of \$400 billion. This is not to imply that Russia would actively attempt to precipitate a conflict, but there is very little downside for it if one occurs.

The Kremlin thus faces the following decision matrix: Assuming the Iranian situation influences the oil price upward by a conservative estimate of roughly \$3 or \$4 a year, Russia stands to gain \$6 billion to \$8 billion, not to mention any benefits to the price of natural gas and the maintenance of its gas supply monopoly to Europe. A thaw between Iran and the West stands to increase the downward pressure on the price of oil, in addition to any lost revenue if Iran becomes a significant gas supplier to Europe. Given this calculation, Russia's position regarding sanctions seems much more logical.

With \$433.9 billion in reserves, Russia is not yet at a point where the price of oil is its paramount concern. But the country's leaders have learned a lesson from the economic crisis that the government's resources do have limits. As they focus more of their attention on the struggling economy, there should be little surprise that economic factors play a more prominent role in their foreign policy decisions.

Mac Broderick is an emerging market consultant based in Washington.

#11

Why Russia is stalling progress on Iran nuclear plant

By Fred Weir

Christian Science Monitor, November 17, 2009

MOSCOW - Russia may be starting to lose patience with its wayward Middle Eastern partner Iran, with delays mounting in the delivery of long-established contracts to provide sophisticated weaponry and civilian nuclear technology to the Islamic Republic.

“Russia is sympathetic to Iran, but it’s also pragmatic,” says Yevgeny Satanovsky, president of the independent Institute of Near East Studies in Moscow. “Moscow did not agree to be used by the Iranians as an umbrella to protect it from fallout for its irresponsible nuclear policies or its adventurism in other parts of the Middle East. Russia isn’t going to be patient forever.”

Russian Energy Minister Sergei Smatko announced Monday that there will be yet another delay in the completion of Bushehr, a \$1-billion civilian atomic power plant that Russia’s state-owned Atomstroyexport has been building in southern Iran since 1995. The contract is regarded in Moscow as an important part of the country’s plan to become a major global supplier of nuclear services.

That latest delay comes on top of Russia’s unexplained refusal to fulfill a two-year-old contract to supply advanced S-300 air defense systems to Iran; Iran claims the first deliveries are now more than six months overdue.

“This is not about politics,” Russian Foreign Minister Sergei Lavrov insisted Tuesday in response to media speculation that the Bushehr delay was calculated to compel Iran to be more agreeable in talks about its alleged drive to obtain nuclear weapons. “Technological issues are being addressed.”

The project has been hit with delays for years now. Moscow began sending nuclear fuel for the plant in 2007 and, following several previous postponements, Russia’s top nuclear official Sergei Kiriyenko pledged last February that Bushehr would open by the end of 2009.

But the Russians are now wringing their hands and suggesting that technical problems at the plant, which was originally designed by the German Siemens company in the 1970s, are multiplying and could force further holdups.

This combined with Moscow’s failure to fulfill the S-300 contract has Iranian leaders fearing that previously reliable Russian trade ties and political support may be evaporating.

“If we wait another 200 years, the Russians will not complete the plant,” news agencies quoted Iranian lawmaker Mahmoud Ahmadi Bighash as saying Tuesday. “The Russians have never told the truth.”

The Iranians appear especially upset over the delivery delays with the S-300, an advanced missile system that can take down high-flying aircraft at a range of nearly 100 miles. Together with the short-range Tor-M1 anti-aircraft missiles that Russia supplied two years ago the new rockets could make Iran feel immune to military threats and therefore more stubborn in its resistance to international pressure over its nuclear program, experts say.

“The S-300 would be used to defend Iranian nuclear sites, and that would greatly complicate the situation,” says Mr. Satanovsky. “So Russia is sending a clear signal to Iran by withholding delivery of these weapons.”

Moscow has long differed with the US over how to deal with Iran. But Russian President Dmitri Medvedev, who had his fourth face-to-face meeting with US President Barack Obama on the sidelines of the G-20 summit in Singapore on Sunday, has suggested that Moscow is increasingly unhappy with Iran’s conduct in international negotiations over its nuclear program.

“Over the past few weeks, Iran has shown a lot of obstinacy and intractability and this irritates Russian authorities,” says Vladimir Sazhin, an expert with the official Institute of Oriental Studies in Moscow. “Our president has more than once indicated that Russia could join a tough sanctions regime.”

The Kremlin has often argued that its role as friend and arms supplier affords it unique leverage over Tehran that could make Russia an indispensable mediator between Iran and the West. But some experts wonder whether Russian businesses, including powerful state nuclear and arms-export monopolies, have been letting their commercial interests trump political wisdom.

“I think Russia is at a crossroads where it really wants to join together with the US, because Iranian policies are so unpredictable,” says Alexei Malashenko, an expert with the Carnegie Center in Moscow. “But military cooperation is a big deal and the arms industries are very strong. At this point, President Dmitri Medvedev and Prime Minister Vladimir Putin may be clinging to Russia’s special position vis à vis Iran mainly as a way of saving face,” he argues.

#12

Who Runs Russia, Anyway?

By Maxim Trudolyubov

New York Times, November 20, 2009

I've been in America for several months on a fellowship, and I'm often asked about Russia. Only the question is always the same: What is the relationship between Vladimir Putin and Dimitri Medvedev?

If a taxi driver discovers I'm Russian, he'll promptly ask: "Listen, who's in charge in Russia anyway?" A professor will start with polite small talk, but soon: "How, in your opinion, are the relations between the prime minister and president developing?"

My exposure to members of the U.S. Congress has been limited to three meetings, but each one quickly came to The Question. More attentive followers of the situation in Russia put it more elaborately: "How come your two leaders say opposite things but there are no signs of any conflict between them, at least on the surface?"

Normally, I try to evade the question and say that if someone claims to have a definitive answer, especially one based on "inside information," don't believe him. The only people who know are the two leaders themselves.

But I've been asked the question so many times that I've decided to summarize some obvious facts and offer a few conclusions. For Vladimir Putin and Dmitri Medvedev, Russian citizens are not voters, but an audience.

Russia's leaders have cleared the playing field of any serious competition. They are not particularly concerned about any election. They seek legitimacy in a different way. They watch how people react to news, to television and to their public appearances. They throw out a message, an idea, even an image, and wait to see how the audience responds. Issues that attract popular attention and cast a leader in a favorable light are retained. These are winning issues. Losing issues are withdrawn.

The key difference between Mr. Putin and Mr. Medvedev is that they work with different audiences.

Mr. Putin's audience is mostly people with a low to middle income who are dependent on the government for their salaries and pensions. Middle-aged and senior citizens - people who lived a large part of their lives as citizens of a great power - are well represented. Most of them watch television regularly.

Mr. Medvedev's base consists of people of middle and higher income. They live in cities, travel abroad and do not depend on the government for their income. People in their 20s and 30s are well represented. They cannot imagine a life without a market economy or modern technology. Many of them do not watch TV, but they do use the Internet extensively.

Another important part of Mr. Medvedev's audience is the international community. President Medvedev works "for export"; Prime Minister Putin, even when he speaks abroad, is talking for domestic consumption.

This is a crude division. The two groups overlap. There are older people in Mr. Medvedev's audience and younger people in Mr. Putin's. But the groups are distinct. Hence the divergence between Mr. Medvedev's and Mr. Putin's comments on many issues - a difference that may seem political but is in fact tactical.

For this same reason, there is no real conflict between the two. At least there is none envisaged by managers of the "duumvirate."

The creeping rehabilitation of Stalin as an "efficient manager," the textbooks being rewritten to include favorable coverage of Stalin's rule, the talk of the need to be proud of the country's history - all of these are directed at Mr. Putin's majority.

President Medvedev, by contrast, said recently that economic achievements cannot be used to justify political repression and that Stalin's crimes should be condemned. Mr. Medvedev, of course, was speaking to his constituency, not Mr. Putin's.

Mr. Putin supports state companies, state corporations and large companies that he considers strategic. In more than one instance he has taken a tough line on foreign investors. Mr. Medvedev, on the other hand, often speaks about the need to attract foreign investment and create a favorable climate for Western capital and technology. In his latest state-of-the-union he called state corporations “hopeless.”

At 44, Mr. Medvedev is well-versed in contemporary technology, he likes photography and would be on Facebook and Twitter if he were not a public figure. He is part of the Internet generation.

Mr. Putin’s and Mr. Medvedev’s views may sound opposing because the two politicians are working to appease two different social groups. Power politics, pride in Russia’s entire history, taking a hard-line on foreigners - these are all winning points for Mr. Putin. Awareness of the country’s problems and a critical stance toward the role of the state in the economy are winning points for Mr. Medvedev.

Mr. Putin’s audience is larger, as is his resource base. This is why Mr. Putin is doing more than he is saying, while Mr. Medvedev is saying more than he is doing. Mr. Medvedev’s role is to soothe the middle class and successful people who are frustrated with the government’s inefficiency and corruption. But this does not mean that he is allowed to act on his agenda. He is only allowed to voice it and publicize it, which does sometimes amount to criticizing policies of Mr. Putin’s presidency (no small feat in itself).

Why? Mr. Medvedev’s audience is growing. More and more people are frustrated with corruption and inadequate public services. At the same time, Internet penetration of Russia is growing at 18 percent to 20 percent a year.

Mr. Putin is well aware of this and encourages Mr. Medvedev to raise issues that are constantly debated in the blogosphere and across social networks. But Mr. Putin knows that his audience is much larger, and that most of it relies on television as its main source of information and opinion. This is why very little of what Mr. Medvedev says has any chance of being implemented. He is entrusted with control over discussion, not action.

Mr. Medvedev’s comments resonate well with me. But after so many years of state-sponsored P.R. it is difficult to tell whether he sincerely believes what he is saying. If he is for real, Mr. Medvedev still has to prove that he means what he says.

Maxim Trudolyubov, editorial page editor of the Russian business daily Vedomosti, is currently a world fellow at Yale University.

#13
Putin-Medvedev Tandem Destroying Russian State’s Capacity to Develop, Moscow Commentator Says
By Paul Goble
Window on Eurasia, November 19, 2009

Vienna, - Ongoing debates about the modernization of Russia have attracted attention to the unfortunate reality that “all the institutional innovations of the last decade are leading to the degradation of the state as a creative subject and to its conversion into a system of life support for a narrow circle of people,” according to a Moscow commentator.

In an essay on the Grani.ru portal this week, Dmitry Shusharin says that both those who say that the modernization of the Russian state requires the creation of an alternative state and those who argue that the population should move “out from under” its non-modernized form highlight this problem, even if they do not acknowledge it directly.

That becomes obvious, Shusharin suggests, is one “recognizes that it is not the critics of the current regime [who have] invented the parallel structures” and that it is not they who “have thought up that the continuity of the state development of the present Russian Federation may be interrupted” unless there is massive change (<http://www.grani.ru/Politics/Russia/President/m.162331.html>).

Instead, it has been the leaders of that state itself who have unwittingly confirmed that the development of Russian political system over the past decade has resulted in the destruction not only of an independent role for the parliament but also the destruction as by the “tandemocracy” of “the nucleus of the new Russian statehood - the institution of the presidency.”

According to Shusharin, contemporary Russian statehood “began to be constructed with the appearance of the institute of the presidency, which stood opposed, which was not obvious at the state - to the system of the soviets and more generally of Soviet power.” Indeed, what Russians mark as Russia Day should be remembered as the day a Russian president was elected.

That institution allowed Russia to accomplish an enormous important - indeed, Shusharin says, “the liquidation of Soviet power undoubtedly was an historic achievement” - but “now all the achievements of those years have been reduced to nothing” because the presidency could serve that function “only under conditions of political competition and not clan consensus.”

And that in turn means, the Grani.ru commentator continues, that what must be “the chief instrument of modernization,” whether “we want it that way or not,” “does not work,” as the discussions about creating an alternative vertical or about the departure of the population from under it make clear.

“Not one of the tandemocrats,” he writes, “needs modernization.” Indeed, they have no motive for needing it, whatever they say. And that in turn means that “the entire vertical has no reasons” for supporting such steps, except perhaps for “that part of it which hopes for career growth as a result of some kind of ministry of modernization” or “modernized parallel.”

Unfortunately, this degradation of the state has an impact on society because the state even in its decaying form “does not intend to leave the population in peace.” Instead, it is going to continue to interfere and talk about the need for “the modernization of the personality” because it is not in a position to modernize itself.

Thus, Shusharin continues, no one is going to be able to get out from under this state as long as it exists. Those who try to do so may find that they will suffer “a premature death” in prisons, an outcome that could almost be described as “the professional disease of Russian entrepreneurs” given the tandem.

There is one especially interesting consequence of this development that is seldom noted, Shusharin points out, and that is the consequences for Vladimir Putin who chose Dmitry Medvedev to fill the office of the presidency but not to have the powers of that office that he and Boris Yeltsin had enjoyed.

But the result of that, he suggests, is that “the tandemocracy” as Putin set it up “is destroying not only the institution of the presidency but that image of Putin which was established when he was chief of state.” And in Russia where personalities matter so much because of the weakness of institutions, Putin may thus become the first victim.

#14

Russia Waives Ukraine Gas Fine, Easing Threat of Supply Cuts

By Anna Shiryayevskaya and Halia Pavliva

Bloomberg, November 20, 2009

Russia agreed to waive fines on Ukraine for consuming less gas than contracted and said it would renegotiate volumes for next year, easing a threat to shipments of the fuel to Europe.

“We made a decision not to impose penalties, and I want to confirm it in public,” Russian Prime Minister Vladimir Putin said at a meeting with his Ukrainian counterpart Yulia Tymoshenko yesterday in Yalta, Ukraine. “Despite agreements reached earlier on volumes, to avoid sanctions next year it was decided that OAO Gazprom and NAK Naftogaz Ukrainy will agree on new volumes.”

A row between Ukraine and Russia over gas prices and transit fees disrupted Gazprom’s supplies to 20 European countries for almost two weeks in freezing temperatures this year. The dispute ended after Ukraine agreed to pay

double for first-quarter imports compared with the average 2008 price. Russia signed a 10-year supply and transit contract with Ukraine, which carries 80 percent of its gas exports to Europe, in January.

“It is very important that we abide by this contract and that you as a stronger country meet Ukraine halfway to take into account the conditions of economic crisis,” Timoshenko said. The prime minister said she stands by Ukraine’s 10-year gas agreement with Russia and pledged her country, which depends for more than 50 percent of its fuel needs on Russia, will pay on time and in full.

Fuel Payments

Putin warned Europe this month about the potential for gas cuts after Ukraine’s Deputy Prime Minister Hryhoriy Nemyria said his country may have to postpone fuel payments if it doesn’t get an International Monetary Fund tranche in time. Putin urged the European Union to lend Ukraine at least \$1 billion on Nov. 2.

Under the January accord, Ukraine has kept the fee for Russian gas transportation unchanged this year and will increase it by 60 percent next year, said Putin. Russia plans to ship 116 billion cubic meters of gas through Ukraine next year, according to Russian government documents distributed yesterday. That will generate additional revenue for Naftogaz, said Timoshenko.

Ukraine’s state-run energy company Naftogaz may have insufficient funds to prepare for next year’s heating season, potentially threatening “the reliability of gas shipments to Ukraine and transit to other European states,” President Viktor Yushchenko said earlier today on his Web site, in a letter to Russian President Dmitry Medvedev.

“We appreciate the step which the Russian government, Mr. Putin and Gazprom made deciding not to impose penalties today for 2009,” Timoshenko said at a joint press conference.

Gas Flows

Ukraine may take only 28 billion cubic meters of gas from Russia this year instead of 42 billion, Yushchenko told reporters in Kiev yesterday.

Yushchenko, who has publicly feuded with Timoshenko, criticized the January contract, saying it may lead to interruptions in gas flows to Europe.

Still, Russia will supply more gas to Ukraine next year than in 2009, Russian Deputy Prime Minister Igor Sechin said at the Yalta meeting yesterday, noting shipments this year were depressed by the economic crisis.

Ukrainian Energy Minister Yuriy Prodan said in an interview yesterday that Ukraine would seek to buy about 30 billion cubic meters of gas in 2010.

Ukraine faces its first recession in a decade after the global financial crisis cut demand for steel exports, dried up investments and weakened the currency.

Uranium Output

The country also is prepared to sign a “strategic” agreement with Russia in the nuclear industry in the coming months, Timoshenko said, welcoming joint efforts with Russia to develop a uranium enrichment center. She said Ukraine has increased significantly uranium production and enrichment in recent years.

Ukraine is also seeking to cooperate with Russia in completing two generators at the nuclear power plant in Khmelnytskyi, Timoshenko said. Both countries will supply fuel for the generators.

It wants to boost cooperation between the countries’ aerospace companies and is considering an exchange of minority stakes.

#15

Intergovernmental Report: Hate Crime Remains Human Rights First, November 16, 2009

New York, NY – The Organization for Security and Cooperation in Europe (OSCE) today released its annual report "Hate Crimes in the OSCE Region – Incidents and Responses," concluding that hate crime is still a significant problem throughout a region that includes 56 countries in North America, Europe, and the former Soviet Union. To compliment the intergovernmental report, U.S. international rights groups Human Rights First (HRF) and Anti-Defamation League (ADL) issued a reaction paper that highlights the failure of many of the OSCE states to fulfill commitments to combat the problem.

According to the report of the OSCE's Office for Democratic Institutions and Human Rights (ODIHR), 2008 saw murders, arson, beatings, vandalism and other crimes targeted against persons or groups because of their race, religion, ethnicity, sexual orientation or other status. The scarcely available official government figures tracking such crimes underscore the importance of strengthening state responses to hate crimes, including through enactment of legislation, data collection, and sharing of best practices.

"It is unacceptable that eight governments did not submit any data to the ODIHR, and five other countries submitted questionnaires indicating no efforts to collect data, a failure that goes against these governments' official OSCE commitments.," said Human Rights First's Paul LeGendre. "Also troubling is that nine countries reported fewer than ten incidents for all of 2008, figures that are in some cases considerably lower than those documented by credible nongovernmental organizations."

The Human Rights First and Anti-Defamation League analysis, based on the ODIHR's reporting and their own documentation on the subject, offers specific recommendations tailored to states' varying levels of adherence to commitments to combat hate crimes. Today, only 14 of the 56 member states have adequate hate crime monitoring and reporting systems in place, and 22 countries lack legislative provisions that address hate crime. Even among those that have such provisions, the legislation extends to sexual orientation bias in only thirteen countries. Last month, the United States enhanced its own federal hate crime legislation to include sexual orientation and gender identity when President Obama signed the Matthew Shepard and James Byrd, Jr. Hate Crimes Prevention Act into law.

"The ODIHR's annual report confirms nongovernmental and media reports suggesting that hate crime continues to be a serious challenge for governments throughout the region in 2008." noted LeGendre.

According to LeGendre, the horrific beheading of a Tajik migrant worker in Moscow, the brutal murder of a Congolese asylum seeker in Kyiv, the vigilante attacks on Roma camps in Italy, the aggressive assaults on LGBT pride parades in Eastern Europe, the unrepentant beating to death of a Mexican immigrant in front of his American fiancée in Pennsylvania, and acts of vandalism and personal assaults targeting Christians, Muslims, Jews, and other religious persons and property are among the long list of violent hate crimes that generated shock waves through entire communities, ultimately affecting millions of people.

"Governments must step up their efforts to combat hate violence and enlist the help of ODIHR's experts to improve their legislative frameworks, institute sound data collection mechanisms, and train law enforcement officials." concluded LeGendre.

#16

Hate crimes high, reporting poor, report says JTA, November 17, 2009

JERUSALEM – Hate crime is still a significant problem in 56 countries in North America, Europe and the former Soviet Union, a new report says.

The Organization for Security and Cooperation in Europe released its annual report Monday in honor of International Tolerance Day.

According to the report of the OSCE's Office for Democratic Institutions and Human Rights, 2008 saw murders, arson, beatings, vandalism and other crimes targeted against persons or groups because of their race, religion, ethnicity, sexual orientation or other status.

The report also stresses that the full extent of hate crimes remains obscured by a lack of reliable data.

"Hate crimes have become a frequent occurrence in many participating states, but unfortunately, the scarcity of data on these crimes makes it difficult to assess the true scope and nature of the problem and to devise effective policies to combat hate crimes," said Janez Lenarcic, ODIHR's director.

Published annually, the report provides statistics and other information on the extent and types of hate crimes, as well as government responses. It is based on data received from OSCE participating states, intergovernmental agencies and civil society groups.

The report points out significant gaps in data collection in most participating states. Some do not collect any statistics on hate crimes, while others do not make the data public. The report emphasizes the need to record, investigate and prosecute hate crime cases, improve data collection and strengthen cooperation with civil society to complement government efforts.

The Anti-Defamation League and Human Rights First released a joint reaction paper to the report offering recommendations on how to improve countries' data collection.

#17

JDC presses for change in funding formula

By Jacob Berkman

JTA, November 17, 2009

NEW YORK – The main international relief agency of the Jewish federation system wants to pull the plug on a long-standing funding arrangement, saying it requires more money to meet the humanitarian needs of poor Jews abroad.

Each year the Jewish Agency for Israel and American Jewish Joint Distribution Committee split \$160 million to \$200 million raised by local Jewish federations for overseas causes. Under a formula used for much of the past half century, 75 percent of the funds go to the Jewish Agency, which historically focused on helping immigrants to Israel, and 25 percent to JDC, which focused on helping needy Jews and building Jewish community in countries around the world.

But JDC President Irv Smokler sent a letter Nov. 12 to Kathy Manning, the chairwoman of the federations' umbrella body, the Jewish Federations of North America, saying that the JDC would no longer accept the traditional split.

"The current split of 75 percent for JAFI and 25 percent for JDC came into being in 1952 when Israel was ready to accept large numbers of immigrants and JDC had declining welfare roles in Europe as a result of the closing of the DP camps," Smokler wrote. "The world has changed significantly and the funding formula must reflect this new reality."

Steven Schwager, JDC's executive vice president and CEO, pushed further this week in an opinion piece for The Jerusalem Post. He argued that the needs of Jews living outside of Israel and the United States were largely ignored last week in Washington at the federation system's annual General Assembly.

"Will we abdicate this moral commitment under the pressure of domestic issues and needs?" wrote Schwager, who was granted a prime speaking role at the GA's opening plenary. "Can we -- the more comfortable, more secure 80 percent of the Jewish people -- cut off the neediest 20 percent of our brethren? Since when has a hungry Jew anywhere become an 'overseas issue' marked as less urgent compared to local needs?"

The JDC's renewed, stepped-up push for more overseas funding puts an intense focus on the tough funding choices facing the American Jewish community's largest charitable network. It comes just days after what many local and national federation leaders hailed as a successful GA, punctuated by high praise from many participants for the Jewish Federations' new CEO, Jerry Silverman, and the Jewish Agency's new chairman, former Soviet dissident Natan Sharansky.

JDC officials rejected suggestions that its recent moves were aimed at quelling some of the excitement over Sharansky's leadership of the Jewish Agency. Schwager said the timing of his organization's decision to speak out was based simply on when JDC could gather its leadership to discuss the latest proposal for a funding agreement.

The main issue, JDC officials say, is that sagging local fund-raising campaigns have led to a cut in the federation system's support for JDC and the Jewish Agency. This year the federations' allocation to the overseas organizations dropped to \$160 million – and both organizations were told recently to expect further cuts of 10 percent to 20 percent next year.

In his letter, Smokler wrote that the JDC would be “derelict in our responsibilities” if it failed to seek more money, stating that the organization has “been forced to curtail or eliminate food, medicine, and other material needs to 60,000 poor elderly Jews. In addition, we have no resources to serve 20,000 poor Jewish children and their families.”

After receiving Smokler's letter, Manning sent a note to members of the Jewish Federations board saying that the organization was working to quickly address the matter.

Through a spokesman, Manning and Silverman declined comment to JTA.

The organization's Israel office did issue a statement to the Israeli daily Ma'ariv.

“As was indicated in the JDC letter, the Jewish Federations have a very positive, longstanding and strong relationship with both of our major partners, JAFI and the JDC,” the statement said. “We are of course very aware of increased needs in many sectors, and are confident that our continued dialogue will result in an agreement that is acceptable to all sides.”

JDC officials say the shrinking pie must be redistributed if the federations and overseas agencies cannot find a way to raise more money together.

One option, they say, is to revise the set formula to ensure that the JDC receives a larger annual slice. Another is to resurrect a tension-filled system under which the JDC and Jewish Agency essentially were pitted against each other and forced to prove the merits of each of their budget needs over those of the other. The system was abandoned after a few years.

Officials at both overseas organizations say they have worked to improve relations and forge a new funding framework for federations to consider. Still, in his opinion piece, Schwager took what could be interpreted as a swipe at the Jewish Agency and some of its donors.

He criticized Russian oligarchs who “prefer to put their money and their names on mausoleums and universities,” and then said that “in the excitement to trump new ‘Jewish peoplehood,’ there is the risk that we are abandoning the Jewish people.”

Sharansky has been toiling to raise money from Russian philanthropists and repeatedly has declared that the organization's focus in the coming years would be on promoting the concept of Jewish peoplehood.

JDC officials are arguing essentially that the federation system needs to prioritize the cause of helping needy Jews over the sorts of programs being advocated by the Jewish Agency. By its own admission, however, the JDC has had trouble convincing its private supporters to switch their gifts from identity- and community-building projects to humanitarian efforts.

Asked about the struggle to shift the priorities of JDC's own donors, Schwarger noted that the organization's major supporters have kept their donations steady or increased their gifts.

In contrast, money from the federation system to JDC continues to fall. About 80 percent of JDC's budget comes from private donors giving to specific projects. Most of the rest comes from federations and goes to cover core operating costs.

As a result, Schwager said, the federation money is the one place where JDC's board has real flexibility in diverting dollars from non-essential projects to humanitarian relief.

In recent months there have been rumblings that the JDC eventually could decide to break free from the national system, opting instead to raise money directly from individual local federations. Schwager, however, dismissed the notion.

"We are part of the national system," he said. "We wouldn't leave the national system."

Stephen Hoffman, who served a stint as the head of the federation national body before returning to his post as CEO of the Jewish Federation of Cleveland, said that infighting would help no one.

"This isn't about competition between them. That is a struggle that will only lead to the unwinding of both of them," Hoffman said. "When there is sniping, the end result is a decrease in overseas allocations not to one or the other, but to both."

#18

Guess who did not come to the party?

By Steven Schwager

Jerusalem Post, November 17, 2009

Symbolism, rather than action, dominated the General Assembly (GA) of the Jewish Federations of North America. Its new logo, new name and new executive and lay leader were a sure sign of hope, the harbingers of a sincere and enthusiastic attempt to revive the national organization that succeeds UJC. Yes, the GA was a magnificent celebration of Israeli-American Jewish unity and a demonstration of its might. But I returned from Washington more concerned than I have ever been in my 20 years of Jewish communal service.

On one hand, we at JDC will support the newly-created JFNA. On the other hand, we are worried about those who were not "present at the party" during the GA. I refer to the other Jews - those who do not live in Israel or North America. Their voices were silent, their needs received a cursory notice and their communities were ignored. I am not trying to be a party spoiler, but 20 percent - one fifth! -of the Jewish people today live outside of the US and Israel.

We know them well: For us they are not statistics, but rather Jewish men, women and children who are struggling to live Jewish lives in their historic communities. JDC is often their only guardian, their daily lifeline, their friend and support. We help them in Mumbai and in Buenos Aires, in Warsaw and Riga, in Djerba and Bucharest.

The elderly Jews in the former Soviet Union today are the poorest Jews in the world, and their situation is painfully serious. We struggle to feed them, to keep them warm, to supply their vital medicines - paid for in part by declining American Jewish charitable funds.

Regretfully, helping the elderly is stigmatized in the eyes of most affluent Russian Jews. The paradox is that those oligarchs went from rags to riches during the chaotic post-communist years. And those very same years turned their elderly parents' generation into penniless poor. But the oligarchs prefer to put their money and their names on mausoleums and universities.

In the excitement to trump new "Jewish peoplehood," there is the risk that we are abandoning the Jewish people. And that leads to the greatest irony: The Jewish "babushka" living alone in a one-room walkup in Russia is helped

today by the generosity of millions of Evangelical Christians through the International Fellowship of Christians and Jews - not by the charity of an oligarch who could be her grandson!

What else worries us? The UJA - the grandfather of today's newly-created JFNA - was formed in the wake of Kristallnacht in Germany, precisely 71 years ago. Numerous speakers at the GA last week made references to this historic event that catapulted American Jewish philanthropy into a superpower world arm, bringing rescue and relief to every Jew. UJA was always a relentless and indefatigable advocate of Jewish needs in Israel and overseas. Seventy-one years later, will we abdicate this moral commitment under the pressure of domestic issues and needs? Can we - the more comfortable, more secure 80% of the Jewish people - cut off the neediest 20% of our brethren? Since when has a hungry Jew anywhere become an "overseas issue" marked as less urgent compared to local needs?

We are a worldwide Jewish family - and family takes care of its own. As we enter the new era of our communal life in North America, let us harness all our moral, communal and, yes, financial resources to guarantee that our philanthropy will never forsake any Jew in need of life's basic necessities.

The writer is the executive vice president and CEO of the American Jewish Joint Distribution Committee.

#19

G.A.'s Savior Is the Russian Oligarch 'Who Got Away'

By Gal Beckerman

Forward, November 18, 2009

In his lively introduction of Prime Minister Benjamin Netanyahu at the recent General Assembly in Washington, Leonid Nevzlin reminded the audience just how unexpected and unusual a role this was for him.

"There was a time not so long ago when I couldn't even imagine standing here in this place, in this country, only blocks from the decision-making capital of the world, with this responsibility," Nevzlin said, describing his life as a businessman and apathetic Jew in Moscow before he made aliyah in 2003 and became a heavyweight among Jewish philanthropists.

His prominent speech — which earned him a standing ovation by the collected leadership of the American Jewish federation world — was the privilege given to him as international chairman of the yearly gathering and its major sponsor. And though the exact figure has not been disclosed, organizers of the G.A. have told the Forward that his money played a significant part in making the three-day event happen. Nevzlin's charity, NADAV, was also conspicuous as one of the main organizers of the conference's many forums and workshops.

The speech represented a crowning moment of what has been a complete rebranding effort by Nevzlin, 50, erasing his past as a Russian oligarch who just narrowly escaped jail, convicted in absentia last year in a Moscow courtroom to life in prison for ordering the murder of five people. A recent article about him in Forbes magazine — which estimated his wealth in 2004 to be \$2 billion — was headlined, "The One Who Got Away."

Israel, which has refused repeated attempts to extradite him to Russia, has helped greatly in this transformation. He has become an important philanthropist there, using his charity to fund projects that promote "Jewish peoplehood" and to gain influence and respectability in the process. This past September, he made a donation of \$6 million to establish the Museum of the Jewish People, a new iteration of Beit Hatfutsot, Tel Aviv's Diaspora Museum.

Now, with a very visible onstage handshake with the Israeli prime minister and a visit with President Obama at the White House as one of 50 invited guests during the G.A., Nevzlin is effectively positioning himself to become a philanthropic force in the United States, as well.

According to Dede Feinberg, co-chair of this year's G.A. and former president of the Jewish Federation of Greater Washington, Nevzlin's problems with the Russian authorities were not an issue in granting him the chairmanship. "I did not know about it. And it was only after the G.A. that I asked," Feinberg said. "And I learned that he was

completely exonerated by courts in Israel. I said, okay, good enough for me.” Feinberg was referring to Israeli courts’ refusal to extradite Nevzlin.

The only hint in Nevzlin’s speech that he has a past that still hounds him was his mention of Mikhail Khodorkovsky, the onetime head of the Yukos oil company, who is now sitting in a Siberian jail, serving a nine-year prison sentence. Nevzlin was Khodorkovsky’s deputy, and together with him he held the controlling shares in Yukos, a multibillion-dollar enterprise that made them both very rich and powerful in the 1990s.

In October 2003, Khodorkovsky was arrested for tax evasion and fraud, accused of embezzling \$25 billion. He and his supporters, however, have blamed Vladimir Putin for inventing the charges as a way of breaking up the influential business empire. Khodorkovsky was then the richest man in Russia, and he made no secret of his political ambitions, funding opposition parties and democracy efforts.

The same month that Khodorkovsky was arrested, Nevzlin entered Israel on a tourist visa and began his self-imposed exile.

“My friend Khodorkovsky never came to terms with his Jewish identity, and that’s one of the reasons why Putin and his henchman have gotten him and many others behind the barbed wire of the modern-day Gulag,” Nevzlin told the G.A. in his speech.

Though he had been involved in reviving Jewish life in the former Soviet Union, it’s clear that Nevzlin immigrated to Israel not only because, as he put it in his speech, “it was time for me to join the Jewish people,” but also because he was escaping the fate that his friend and business partner had met. Nevzlin and his representatives did not return calls for comment on this story.

Not long after Nevzlin left, the Russian authorities charged him with a whole range of criminal offenses. He was said to have contracted out Yukos’s head of security — who is now serving a 24-year jail sentence and has denied both Nevzlin’s guilt and his own — to kill individuals who were getting in the way of Yukos’s business dealings. Among the dead were Valentina Korneyeva, a Moscow businesswoman who owned a building in central Moscow that Yukos’s holding firm, Menatap, wanted to buy, and Vladimir Petukhov, mayor of Nefteyugansk, where Yukos’s largest production unit was based.

Twice the Russian authorities tried to extradite Nevzlin, but both times Israel’s State Attorney’s Office denied the request, citing insufficient evidence. In 2006, the argument even reached Israel’s High Court of Justice, which concurred with the State Attorney’s Office.

Last summer, Russian courts tried and convicted Nevzlin in absentia and sentenced him to life in prison. Earlier this year, in response to an appeal, they upheld the verdict and ordered him to pay 5.5 million rubles, about \$235,000, in compensation to the victims and their families.

Nevzlin has maintained that all the accusations against him are baseless, politically motivated fictions invented by Putin and his circle. The Russian authorities have continued to pursue Nevzlin’s extradition, even demanding that the United States, where he now travels frequently, hand him over. But his visit to the White House with Jewish leaders offers strong proof that he has been given a de facto exoneration by America’s government. The White House confirmed his visit and his meeting with Obama on November 9, but not whether he was vetted by the state department or any other government agency.

Meanwhile, his life in Israel has revolved largely around his philanthropic efforts. He set up an institute on Eastern European and Russian Judaism at the Hebrew University of Jerusalem, and has funded many projects through his charity, NADAV— named after himself and two other Yukos shareholders, Vladimir Dubov and Mikhail Brudno. Run by his daughter, it tries to confront what Nevzlin said in his G.A. speech was the biggest threat facing the Jewish world: “A failure to articulate a single, global Jewish identity.”

In addition to donating heavily to, and leading, the renewal of Israel’s Diaspora Museum, Nevzlin is on the board of governors of the Jewish Agency for Israel and the board of trustees of Keren Hayesod-United Israel Appeal.

Misha Galperin, executive vice president and CEO of the Jewish Federation of Greater Washington, said he was responsible for the marriage between Nevzlin and the Jewish Federations of North America, organizers of the G.A. He thinks that Nevzlin's appearance at the gathering marks his entrance on the American Jewish scene. "Many people were quite taken with him," Galperin said.

Asked if Nevzlin's past had been an issue, Galperin bristled and wondered whether one would ask the same question of Natan Sharansky, the new head of the Jewish Agency for Israel who was accused by the Soviet Union of being a CIA agent and sentenced to 13 years in jail. "The two cases have absolutely the same validity," Galperin said, "none."

#20 Funding for Overseas Jews In Disarray as Agencies Duel; JDC Rejects Decades-Old Agreement as Irrelevant

**By Nathan Guttman
Forward, November 18, 2009**

Washington — Threatening to shake the fragile structure of the American Jewish federations' umbrella organization, one of the key partners for overseas funding has turned down a proposed agreement on distribution of funds, putting the system in a state of disarray.

The American Jewish Joint Distribution Committee announced that it has rejected a decades-old understanding that gave it only a quarter of all money raised in the United States for overseas causes, while leaving the lion's share for the Jewish Agency for Israel.

The decision illustrates not only a new phase in the competition between the two agencies over dwindling American funds, but also their struggle to reposition themselves in light of a changing philanthropic reality in which fewer funds are available and some federations are beginning to prefer direct giving to their favorite causes over contributions to a managing agency.

While negotiations between JDC and the Jewish Agency over the distribution of funds raised by federations had been going on for the past 18 months, it was only in recent weeks that the dispute boiled over. Days before the recent gathering of the Jewish Federations' General Assembly, attempts to craft a new agreement reached an impasse. In an unusual move, given the otherwise quiet manner that characterized the negotiations, JDC made its disappointment public. In a November 12 letter addressed to Kathy Manning, chair of the Jewish Federations of North America, JDC's president, Irv Smokler, wrote that his group would not accept the latest draft agreement, and therefore, "reluctantly we must indicate that there is no national agreement on the distribution of overseas core dollars."

Smokler argued in his letter that an accord, rooted in a 1952 understanding that instituted a 75:25 ratio in favor of the Jewish Agency, should be revisited, since the role his organization plays in Jewish life has grown dramatically, while the Jewish Agency's main goal of dealing with mass immigration to Israel is no longer relevant. "The world has changed significantly, and the funding formula must reflect this new reality," he added.

During months of talks between the two agencies, JDC had presented facts about its growing needs, as it provides for more than 200,000 Jews struggling with poverty in the former Soviet Union and in other Eastern European countries. It also claimed that the distinction once held between Israel and other overseas needs is no longer valid, since JDC is also involved in many social service projects in Israel.

"The current system is arbitrary and has nothing to do with reality on the ground," said Steve Schwager, JDC's executive vice president and CEO, in an interview. "The money should follow the needs."

But switching to a system based on needs from one based on a fixed formula is viewed by the Jewish Agency, and by many in the North American federation system, as unacceptable. In discussions, the Jewish Agency pointed to the fact that JDC has other sources of income, whereas the Jewish Agency relies on federation money as its primary source of overseas funding. Representatives also argued that since the distribution process is geared for

long-term planning, it should enable the Jewish Agency to deal with unexpected emergencies in the Jewish world, such as waves of mass immigration.

Richard Pearlstone, chairman of the Jewish Agency's board of governors, said in a statement that his group will continue working with all sides to reach an agreement on allocating the funds. "JAFI was surprised and disappointed," by JDC's decision to withdraw from the talks "because we had been working in good faith with JDC for the past 18 months and were seemingly close to an agreement," Pearlstone said.

Funding for both agencies has been in constant decline in recent years. In 2007, the Jewish Agency got \$159.5 million, while JDC received \$58.4 million. The amount dropped in 2008, and although final numbers are not in yet for 2009, the Jewish Agency is expected to get only \$124 million and JDC \$51 million.

The decline, which has forced both agencies to cut back on staff and caused JDC to dig deeper into its endowment, reflects more than just the financial downturn in the United States. It also represents a growing trend among Jewish donors who are distancing themselves from the mega-agencies in favor of designated giving to specific projects overseas.

"People prefer the hands-on approach. It helps them feel they know where their money is going," said Kenneth Kaiserman, chair of the Center for Israel and Overseas at the Jewish Federation of Greater Philadelphia. His community has been among the first to break with the long-established funding system in which federations provided their donations to the umbrella organization (which was formerly known as United Jewish Communities and is now called the Jewish Federations of North America). The umbrella organization would then funnel the donations, known as "core funding," to the Jewish Agency and JDC according to the 75:25 formula.

Philadelphia now provides its funds directly to programs in Israel and the former Soviet Union, thus bypassing the current system and having a greater say in the destination of the funds.

Designated gifts have also become a greater part of giving at the Combined Jewish Philanthropies of Greater Boston. That federation has been shifting most of its funds away from the umbrella organization and toward specific projects. Many of these projects have been done in cooperation with JDC, which has been successful in tapping into the new trend of designated giving.

"The JDC found ways to think of a new agenda and develop ideas for us to work together," said Barry Shrage, federation president. He added that the Jewish Agency, on the other hand, "had difficulty in formulating an agenda that we could engage with."

#21

Government may help fill Jewish Agency's coffers

By Haviv Rettig Gur

Jerusalem Post, November 17, 2009

For the first time, the government is considering becoming a direct funder of the Jewish Agency.

Soon after becoming its head in June, Jewish Agency Chairman Natan Sharansky asked Prime Minister Binyamin Netanyahu to help the agency cover its expected budget deficit in 2010. The move comes as part of Sharansky's plan to refrain from cutting the agency's budget next year, during which time the agency will conduct a thorough reexamination of its funding priorities and fund-raising strategies.

Now, The Jerusalem Post has learned, the government is developing a practical plan for covering any budget shortage caused by a years-long decline in donations and the global financial slowdown.

According to a government source, the Finance Ministry is preparing to contribute up to \$12 million toward the shortfall. While Finance Ministry officials oppose the plan, the order to make the funds available came from the Prime Minister's Office, the source said.

The move would mark the first time the government contributed directly to the agency's core budget. Previously, government funds went not to the agency itself, but to joint programs, such as Masa and birthright.

Agency officials would not comment on the significance of the move in terms of future Israeli funding of the agency, which historically has been funded solely by Diaspora groups such as the Jewish Federations of North America (until recently called the UJC) and Keren Hayesod/United Israel Appeal.

An agency representative denied on Tuesday that a specific plan has been developed or that any dollar amount has been decided upon. But the representative confirmed that "a joint professional committee headed by the directors-general of the PMO and the agency has been established and was tasked with coordinating the cooperation between the two bodies. It is also specifically working on finding ways to make up the agency's budget deficit."

Methods being considered by the committee include government assistance in "realizing" - profiting from - agency properties in Israel, the representative said.

#22

Anti-Semitic Ukraine mayor to run for president

By Matthew Wagner

Jerusalem Post, November 17, 2009

A mayor of a small Ukrainian town who has made headlines for anti-Semitic comments in recent months was approved by his country's central voting committee to run in January's presidential race.

Following his nomination, Uzhgorod Mayor Sergey Ratushniak told a local paper that the Jews were to blame for all his country's troubles.

Ratushniak, who until recently was not known to be anti-Semitic, surprised local Jews when he reportedly called a political rival who is also running for the Ukrainian presidency an "impudent little Jew" who was "successfully serving the thieves who are in power in Ukraine and is using criminal money to plough ahead towards Ukraine's presidency."

The rival, Arseniy Yatsenyuk, is not Jewish. But according to Sergei Podrazhansky, deputy editor of the Israeli Russian-language newspaper Vesty, Ratushniak succeeded in hurting Yatsenyuk's chances of winning the presidency.

"Many Ukrainians reconsidered their support when they heard allegations that Yatsenyuk is Jewish," said Podrazhansky, who grew up in Uzhgorod.

"There is no democratic tradition in the Ukraine so the place is very unpredictable," added Podrazhansky, who said that Ratushniak is just one of 18 candidates running for president and does not have a chance of winning.

The mayor told the Associated Press in a telephone interview: "Is everybody obliged to love Jews and Israel? If I don't like Jews and Israel, does that make me an anti-Semite?" Local news agencies reported that Ratushniak assaulted a woman working for Yatsenyuk's campaign by grabbing her throat and shoving her to the ground.

Ratushniak denies the claims. However, at the beginning of September, Ukraine prosecutors reportedly brought charges of hooliganism, abuse of office and xenophobia against Ratushniak.

#23

Ex-Ukraine Leader Angles for a Return

By James Marson

Wall Street Journal, November 17, 2009

KIEV -- Ukrainian presidential front-runner Viktor Yanukovich says that after five years under a pro-Western leader, his country needs to rebuild strong ties with Russia and ease up on pursuit of membership in the North Atlantic Treaty Organization.

"I have never denied the influence of the Russian factor in Ukrainian politics. We should always have taken it into account," said Mr. Yanukovich in his first interview with Western media since he kicked off his campaign a month ago.

In an October survey by the Razumkov Center in Kiev, Mr. Yanukovich lead with 29% support for the Jan. 17 vote. President Viktor Yushchenko trails in low single digits, while his rival and former Orange Revolution ally, Prime Minister Yulia Tymoshenko, is polling in second place at 20%. No candidate is expected to gain the 50% needed to triumph in the first round, and Ms. Tymoshenko and Mr. Yanukovich are expected to proceed to a February runoff.

In the 2004 election, Mr. Yanukovich, backed by Moscow, was initially declared the winner, until the so-called Orange Revolution, which brought hundreds of thousands of people into the streets in Kiev to protest alleged vote-rigging. Mr. Yushchenko, who won the revote ordered by the Supreme Court, has had a strained relationship with Ukraine's eastern neighbor.

Mr. Yanukovich's resurgence comes on the back of the government's failure to push through promised overhauls, in part a consequence of infighting between the president and prime minister, who have failed to agree on an anticrisis program.

Ukraine's gross domestic product contracted 18% in the first half of the year, damaging the rating of Ms. Tymoshenko, who as prime minister is responsible for the economy. Ms. Tymoshenko's campaign emphasizes her industriousness in fighting the crisis, in spite of what she claims are blocking tactics by Mr. Yanukovich and Mr. Yushchenko. Her main campaign message reads, "She is working."

Mr. Yanukovich's Party of Regions was the driving force behind legislation recently signed into law by Mr. Yushchenko which provides for large increases in wages and pensions.

Ms. Tymoshenko's government says it can't afford the increases, and she has vociferously opposed them. The International Monetary Fund, which has helped to shore up the Ukrainian economy with almost \$11 billion in loans since last fall, has said the law is the biggest obstacle to further lending.

Mr. Yanukovich blamed Ms. Tymoshenko's government for not implementing the economic program agreed to with the IMF, and said the law was needed to support low-income households during a biting crisis.

Mr. Yanukovich made clear that he would seek to improve ties with Russia, calling for "well-balanced" relations with the European Union and Russia, given Ukraine's strong economic ties with both neighbors.

He also said he wants to build "beneficial" relations with NATO, but not seek membership until the majority of Ukrainians are in favor. Surveys show that currently isn't the case.

Mr. Yushchenko has repeatedly clashed with Moscow over Russian natural-gas shipments that transit through Ukraine, his push for NATO membership and his support for Georgian President Mikheil Saakashvili during Russia's war with Georgia in 2008. In August, Russian President Dmitry Medvedev sent a letter to Mr. Yushchenko condemning his "anti-Russian" policies.

The European Union and Russia agreed Monday to create an early-warning system to protect European consumers in the event of a repeat of last winter's gas dispute, in which Russia's gas deliveries to Europe via Ukraine were halted for two weeks over pricing and payments.

But Russia warned last week that another stoppage in gas deliveries can't be ruled out if Ukraine fails to pay its bills, and one of Mr. Yanukovich's top advisers said Monday that the contracts signed by Ms. Tymoshenko in Moscow in January were "extremely unfavorable" for Ukraine and should be revised.

Analysts say Russia isn't putting all its eggs in one basket this time. Russian Prime Minister Vladimir Putin has also developed warmer ties with Ms. Tymoshenko. She has been quiet on NATO membership, but has argued for European integration and pragmatic relations with Russia.

#24

In Ukraine, '04 Euphoria Has Turned to Despair

By Ellen Barry

New York Times, November 19, 2009

LVIV, Ukraine — It is not immediately clear why Vasily V. Humenyuk should be a candidate for president of Ukraine. A former customs official from the western city of Ivano-Frankivsk, he subscribes to no particular ideology, has the flimsiest of platforms and does not plan to tour the country before the vote, reasoning that "these trips cost a great deal and the people are sick of them."

In fact, he could have vanished into this winter's overpopulated presidential race had he not, on Oct. 2, legally changed his last name to "Protyvsikh," Ukrainian for "Against Everyone."

Though few see Mr. Protyvsikh as a serious candidate, he reflects the sour mood that has swelled in the electorate — and one that could swing a pivotal presidential election in January.

For years, the vote in Ukraine has been almost evenly divided between the industrial Russian-speaking east of the country, whose voters generally favor closer ties with Moscow, and westerners intent on pursuing a European path. The current field of 18 candidates is almost certain to narrow for a closely fought second round of voting between these two constituencies, in the form of former Prime Minister Viktor F. Yanukovich, from the east, and the current prime minister, Yulia V. Tymoshenko.

But while Mr. Yanukovich's voters have the incentive of reclaiming Kiev, deep disillusionment has settled in the west, home of the Orange Revolution. It is not yet clear whether that feeling runs so deep that voters will stay home, or — as Mr. Protyvsikh clearly hopes — go out of their way to cast a protest vote.

"Everyone's disappointed in politicians," said Vladimir Zuyenko, 44, a security guard who said he had gone three months without pay. "They made this revolution, but they didn't solve anything. We were poor then, and we're still poor. The only reason to vote is that if we don't, someone else will vote for us."

Five years ago, euphoria surged through this city, the first in Ukraine to declare Viktor A. Yushchenko president, on the eve of the Orange Revolution. So many people piled onto buses headed for Kiev to support the pro-Western coalition that streets were left half-empty, and those who stayed wore bits of orange in solidarity. Viktoria Gnip, 35, said she was so inspired that she vowed on the spot to name her unborn baby Yulia or Viktor, after the two heroes of the day.

Even recalling that happiness seems painful in Lviv (pronounced luh-VEEV) these days. Voters complain about the bitter public infighting between Mr. Yushchenko and Ms. Tymoshenko, about cronyism in local appointments, about an underfinanced health care system and about an economy so miserable that doctors and teachers leave for menial jobs in western Europe.

"People had hope then," Darya Lobachevskaya, 63, said. "It lasted for a year, maybe two years. But then, wherever it came from, it went back there."

As this mood has deepened, the proportion of Ukrainians who tell pollsters they will vote for "none of the above" — one option on the ballot — has been edging up, from 4 percent in 2004 to around 8 percent now, said Oleksiy

Antypovych, of the polling organization Rating, who works out of Kiev and Lviv. By the time voters go to the polls, that percentage drops by one-half, so it has never proved decisive in an election, he said.

But the “none of the above” votes are much higher when respondents are asked about the second round of this winter’s election, with 18 percent answering that they would not vote for either Mr. Yanukovich or Ms. Tymoshenko. Even if half of that group ends up staying home or making a choice between the candidates, up to 10 percent of Ukrainians may vote for “none of the above,” Mr. Antypovych said.

“That would set a precedent,” he said.

The protest vote, in this case, could be decisive. Current data shows that 40 percent of voters would back Mr. Yanukovich in a second round, and 30 percent would back Ms. Tymoshenko, Mr. Antypovych said. Though Ms. Tymoshenko is likely to pick up many Orange votes from four first-round candidates with similar platforms — among them Mr. Yushchenko — it is not yet clear if the old coalition will rally around her when she most needs it. Or what will happen if the results are disputed.

“One thing I can say with certainty: There will be no repetition of that revolution,” Mr. Antypovych said. “People will no longer go out into the streets for a politician. They simply will not go out. Based on our surveys, most voters expect there to be mass falsification. They are already accustomed to the idea.”

It was against this backdrop that Mr. Protyvsikh, 63, began his quixotic campaign.

In his handful of public appearances, he has stuck closely to his simple slogan, explaining that he does not subscribe to any particular ideology (“Elect me, and then I’ll explain everything,” he added, reassuringly). Amid speculation that he was injected into the race to sabotage another candidate, he said his financing came from “my friends, who are scattered all over the world, rich ones, my relatives, my fellow villagers.”

Mostly, he answers questions about his last name. “I made this decision six months ago, because I had reached the end of my patience,” he said in a telephone interview. “I will stand in the breach. I am brave, I am independent. I changed my name to express the will of all the people — many, many in Ukraine — who are against everyone.”

Andrei Mikitin, a journalist from Mr. Protyvsikh’s home town of Ivano-Frankivsk, said the “Against Everyone” campaign has provoked mostly chuckles at home. When push comes to shove, he said, however disappointed western Ukrainians are in the Orange leadership, they will be roused by the desire to vote against Mr. Yanukovich, if only because Moscow backs him.

“You have to understand people here,” said Mr. Mikitin, editor in chief of the newspaper Western Ukraine. “People don’t need ‘Against Everyone.’ They need an ‘Against Russia.’ Or an ‘Against Putin.’ That’s what I would have advised him, if he had asked me.”