

WASHINGTON, D.C. January 15, 2010



TO: NCSJ Leadership and Interested Parties

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

In Brief: Ukraine Elections; Moldova Menorah; Combating Anti-Semitism

Dear Friends,

This weekend Ukrainians go to the polls to elect a new president. It is unlikely one of the major candidates will win 50% of the vote, and therefore a run-off between the top two vote-getters will take place a few weeks later. The frontrunners going into Sunday's election are the current Prime Minister Yulia Tymoshenko and former Prime Minister Viktor Yanukovich. Incumbent President Viktor Yushchenko is seeking reelection, but is expected to be a non-factor.

Much of the campaign has centered on who can provide the necessary leadership to address the severe economic challenges confronting Ukraine today. The Ukraine-Russia relationship and ongoing corruption inside and outside of the government are also prominent campaign issues.

The Ukrainian Jewish community has connections to all of the major candidates. There is a strong level of communication and access between the Ukrainian Jewish community and the current government. It is the community's hope as well as ours that these ties will continue with a new administration. Issues such as communal property restitution and anti-Semitism remain a priority for the community.

This week's update has several articles to help you better understand the issues surrounding the election as well as the major personalities running for president. We will send out an update on the election next week.

NCSJ continues to be in contact with U.S. and Moldovan government officials and Moldovan Jewish leaders regarding last month's anti-Semitic incident, where a mob dismantled the community Chanukah menorah in Kishinev. The orthodox priest who led the attack was eventually charged with a misdemeanor and fined a small amount. NCSJ and others have questioned this inadequate action and called for stronger measures to be taken, including the reopening of the investigation. We will be meeting the Moldovan Prime Minister next week in Washington to raise our concerns with him directly.

A few weeks ago NCSJ participated in two significant international conferences. I participated in the Global Forum for Combating Anti-Semitism in Jerusalem. More than 500 attendees from around the world met to discuss the best and most practical steps to address the issue of anti-Semitism. I had the opportunity to co-chair the Eastern European/Central European/FSU Working Group. Lesley Weiss, NCSJ's Community Services and Cultural Affairs Director participated in the World Congress of Russian Jewry's Legacy of World War II and the Holocaust Conference in Berlin. Lesley addressed the gathering about NCSJ's work in combating anti-Semitism and Holocaust denial in the FSU. While in Germany, Lesley also met with the Director of the International Tracing Service in Bad Arolsen to discuss outreach to survivors in Russia, Ukraine and Belarus.

As 2010 begins, I want to thank everyone who donated to the NCSJ Chanukah Appeal and remind those who haven't that it's not too late (visit www.ncsj.org/donations.shtml). Our agenda is full, our commitment

remains strong and with the ongoing support of our membership we will continue to provide the needed advocacy for the third-largest Jewish community in the world.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark B. Levin". The signature is fluid and cursive, with a prominent initial "M".

Mark B. Levin
Executive Director



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

NCSJ WEEKLY NEWS BRIEF
Washington, D.C. January 15, 2010

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#1a

Odessa Jewish Educational Network Celebrates 10 Years

By Tamar Runyan

Chabad.org, January 12, 2010

The Jewish community of Odessa, Ukraine, celebrated a decade of educational accomplishment last week as it marked 10 years since the founding of the city's Ohr Avner Chabad network of schools.

Founded by Rabbi Avraham and Chaya Wolff, who began with a kindergarten and day school of 57 students, the network today boasts some 600 pupils.

"Everything started small," said Wolff, who arrived as a Chabad-Lubavitch emissary in 1992 and serves as the city's chief rabbi. "Now we have 11 couples from Israel who teach here."

Wolff, who was attending a rabbinical conference in Dneprodzerzhinsk the same time as the celebration, pre-recorded a congratulatory message for the Odessa crowd. He echoed the assessment of network director Yakov Shostak, who credited the dedication of teachers and staff members with Ohr Avner's achievement.

"Ten years gives the local community the feeling that the future of the school and the future of the community is secure," said Wolff. "It makes parents more comfortable in sending their kids to our school."

In addition to its schools, the network also runs an orphanage for about 60 children from Odessa and elsewhere in Ukraine, as well as a university specializing in business and economics.

The Odessa network is one of more than 100 educational institutions throughout Eastern Europe funded by the Federation of Jewish Communities of the Former Soviet Union and the Ohr Avner Foundation.

#1b

IFCJ Aids Jewish Children of Ukraine

FJC, January 13 2010

ZHITOMIR, Ukraine – An unprecedented humanitarian aid campaign took place in both large and small communities of the Zhitomir Region thanks to the support of the IFCJ and its head, Rabbi Yechiel Eckstein. The aid was distributed through support programs for Jewish children from low-income, single parent and underprivileged families.

In total, more than 250 children from the cities of Zhitomir, Berdichev, Korostyshev Chernyahov, Radomyshl, Novograd-Volynsky and Novo-Korovichi received food packages and new clothing. The food parcels included oil, sugar, flour, buckwheat, rice and pasta as well as fruit, which is essential for the children due to extreme vitamin deficiencies. The clothing that the children received included footwear, pants, sweaters and more.

Special arrangements were made in advance with local clothing stores in each area. Each of the participating stores received a list of the eligible children and the amount that each of them could spend on clothing and footwear. The children and their parents were able to pick out the items themselves and try them on. Afterwards, the organizers met with the recipients at the respective Jewish Community Centers in order to give out the clothing that had been chosen.

Of the children who received this aid, 15% of them are orphans, 25% are from single-parent families, and 10% are from struggling large families. The remaining 50% are children from families that are “at risk” families) and those who are in great financial need.

The many children and their parents or legal guardians expressed tremendous gratitude to the “Keren Yedidut” Fellowship Foundation, otherwise known as the International Fellowship of Christians and Jews, with a personal thanks to Rabbi Yechiel Eckstein.

#2

Low Turnout, Alleged Violations Mar Azerbaijani Local Elections

RFE/RL, January 4, 2010

Voters from three villages in Azerbaijan's Sabirabad Raion staged a protest on December 28 against perceived procedural violations during the December 23 municipal elections. A total of 19 political parties participated, with the ruling Yeni Azerbaijan Party (YAP) fielding over 50 percent of the 31,861 registered candidates, who competed for 15,682 seats on 1,718 local councils.

Historian Eldar Ismailov of the NGO For Civic Society described the vote as "a step forward." But election observers from the Council of Europe's Congress of Local and Regional Authorities noted shortcomings that they said cast doubt on the integrity of the ballot.

Azerbaijan Central Election Commission (MSK) press secretary Azer Saryyev said on December 29 that the commission received a total of 119 reports of procedural violations, all of which will be investigated. Only then, he said, will the MSK endorse the preliminary results. A second MSK member, Tofiq Gasanov, said the results of the voting in the western town of Naftalan, where local officials had observers evicted from polling stations, may be annulled. MSK Chairman Mazahir Panahov said on December 24 that none of the reported irregularities could have affected the overall outcome.

Voter turnout was officially estimated at 31.86 percent, which is 14 percent lower than in the previous municipal ballot in 2004, but Bashir Suleymanli of the Center for Election Monitoring told journalists on December 24 he believes the true figure was no higher than 17 percent. There is no minimum required turnout below which the poll would not be valid.

Eleven election observers deployed by the Council of Europe's Congress of Local and Regional Authorities who monitored the vote in some 100 polling stations said in a report released on December 24 that although the elections were "well-prepared" and "took place in a calm atmosphere," the low turnout reflects "the lack of a truly pluralistic party landscape." They noted "shortcomings concerning the counting of the voters in polling stations, the role and origin of local election observers, the readability of ballot papers and the regularity of the vote count," and concluded that incidents in some polling stations raise questions about the integrity of the ballot.

Azerbaijani NGOs and political parties were more categorical in their negative assessments. Suleymanli claimed that the entire campaign, from nominating and registering candidates to election agitation to the actual vote and vote count, was marred by violations.

Arif Gadjili of the opposition Musavat party told a press conference on December 24 that the elections were not free, fair, or democratic. He accused the YAP of using all the resources at its disposal to engineer the outcome. Specifically, Gadjili noted the difficulties encountered by individual opposition candidates in registering to contest the ballot. He said that of "several thousand" Musavat members who sought to register, only 554 succeeded in doing so, of whom 400 did not reveal their party affiliation when filing their official application.

Ali Kerimli of the opposition Azerbaijani Popular Front Party highlighted what is possibly the most disquieting aspect of the ballot. The municipal elections, he said, were the first in which the country's leadership did not even bother to create a semblance of democracy. That failure does not bode well for the parliamentary elections due in late fall of 2010.

#3

Kyrgyzstan's battered press Darkening clouds over tulip fields Economist, January 7, 2010

JOURNALISM in Kyrgyzstan has long been a profession shunned by those who worry about their health. Its members routinely get beaten up. But the brutal murder of Gennady Pavlyuk, 51, one of the most prominent Kyrgyzstani journalists, in neighbouring Kazakhstan was shocking even by local standards. He died in hospital on December 22nd, six days after being thrown from a sixth-storey window in central Almaty, Kazakhstan's commercial capital. His hands were tied behind his back.

Opposition politicians were quick to blame Kyrgyzstan's president, Kurmanbek Bakiyev, for the murder, a charge denied by his office. Within a few days Kazakhstan's interior ministry confirmed that it had identified several Kyrgyzstani citizens linked to the killing. Remarkably, a private Almaty television channel then quoted an unnamed Kazakhstani intelligence source as saying that Kyrgyzstan's security services were involved. The Kyrgyzstanis, in turn, rejected this claim through the press in Bishkek.

In 2009 the political climate in Kyrgyzstan deteriorated drastically. Not just journalists, but also politicians and commentators critical of the president's family have been attacked by unknown assailants. In March the bodies of the former chief of Mr Bakiyev's bureaucratic machine, Medetbek Sadyrkulov, and two other men were found in a burned-out vehicle in a mountain gorge. They were driving home from Almaty. The authorities said it was a road accident.

Since Mr Bakiyev's re-election in July, which was marred by irregularities, the number of attacks against his critics has increased markedly. Mr Pavlyuk, who had planned to set up a website for the opposition party, Ata-Meken, was the third journalist to come to harm in a fortnight. All three were ethnic Russians. During the same period, a well-known political analyst and a former senior official under Askar Akayev, the president ousted by the "tulip revolution"

in 2005, were also severely beaten. Edil Baisalov, an opposition activist calls it a “regime of total terror against any kind of opposition”.

Mr Baisalov, himself the target of an assassination attempt in 2006, believes that the regime overestimates its importance to the West because of the role it plays as host to an American military base at Manas in Bishkek. Critics say that a culture of impunity makes it believe it can get away with murder.

In the past it might have relied on the backing of Kazakhstan, hardly a beacon of free speech. But Kazakhstan—controversially—has just taken over the chair of the Organisation for Security and Co-operation in Europe. It may not want to begin its tenure by conniving at such an outrageous violation of human rights. It remains unlikely, however, to go as far as Mr Baisalov demands and “vigorously prosecute those responsible for the murder of Mr Pavlyuk on its soil.”

#4

A Nonstarter on Arms Control

By Ariel Cohen

New York Times, January 9, 2010

WASHINGTON — The Obama administration has failed to complete the negotiation of a treaty to replace the Strategic Arms Reduction Treaty (Start), which expired on Dec. 5. The two superpowers are now in uncharted waters.

Moscow and Washington have stated that Start still applies voluntarily. This is false. First, without the consent of the U.S. Senate, expired treaties are null and void. Second, the Russians already kicked out U.S. inspectors, thus scrapping a key provision of the now-dead treaty. Third, on Tuesday, Dec. 29, Prime Minister Vladimir Putin upped the ante, linking U.S. missile defenses with the treaty signature. Speaking in Vladivostok later that week, Mr. Putin warned against U.S. “aggressiveness” and disruption of the nuclear balance in case the Obama administration deploys missile defenses.

As competition between Mr. Putin and President Dmitri Medvedev for the 2012 presidential nomination is rising, Mr. Putin may be denying his former protege a prestigious feather in his statesman’s cap.

The official talks will restart in Geneva, possibly as early as next week. And the American side also appears circumspect. The U.S. Senate is concerned with the future of the Start follow-on treaty. Senators worry that the Obama administration may be making concessions to Russia that are detrimental to U.S. national security. On Dec. 16, 41 senators signed a letter to President Obama, saying that they will oppose the new treaty if the United States gives up nuclear modernization. Thus, the 67 vote supermajority necessary for ratification is far from secure.

Supporters of missile defense, nuclear modernization and prompt global strike intercontinental ballistic missiles with conventional warheads would oppose the treaty if it undermines their priorities.

The Kremlin feels it has a winning hand in the nuclear bargaining as the follow-on treaty is considered more important to the United States than Russia. The White House already ceded deployment of a stationary missile defense in Poland and the Czech Republic and has agreed to pull U.S. inspectors from a missile factory in Votkinsk, Russia. The removal will make it impossible to monitor production of Russia’s new RS-24 mobile multi-warhead ICBMs. This missile will be the mainstay of Russian strategic forces by 2016. Thus, the stronger party starts looking like a loser.

Preoccupation with the Start follow-on treaty is a major part of Mr. Obama’s effort to “reset” relations with Russia. The completion of the Start follow-on, as well as the ratification of the Comprehensive Nuclear Test Ban Treaty by Congress, are seen as a key stepping stone of “getting to zero” — achieving a world without nuclear weapons.

The Russians, however, quietly scoff at Mr. Obama’s goal. While the Russian government publicly champions the U.S. nuclear disarmament effort, Russia’s military and security elite deride it. “Russia will develop offensive

weapons — because without them there is no other way to defend our country,” Mr. Medvedev said in the recent TV interview.

Moreover, Russian nuclear policy and statements clearly reveal an abiding commitment to nuclear weapons. The U.S. national leadership and arms control negotiators should examine the Russian nuclear doctrine and policy as they are, not as they want them to be.

Russia is boosting the role of nuclear weapons in its national security strategy and doctrine. Russia’s nuclear doctrine considers the United States its “principal adversary.” With deficiencies in its conventional forces and difficulties procuring and deploying high tech weapons, Russia will increasingly rely on nuclear weapons, including first-use use in local conflicts, such as with Georgia last year. This is what Russia’s National Security Council Secretary, General Nikolay Patrushev recently announced.

Moreover, Russia has 3,800 tactical nukes, which were not included in the follow-on treaty. And in the recent military maneuvers in Belarus, the Russian Army simulated an invasion of Poland — with 900 tanks and fired three nuclear missiles at the “enemy.”

Mr. Putin has repeatedly announced that despite the economic crisis, the Russian government will continue major funding for advanced military equipment, including nuclear weapons modernization. Russia’s military-industrial complex is busy developing high-precision and low-yield deep-penetration nuclear weapons. But the Russians are also demanding the halt to U.S. nuclear modernization, which the bipartisan Perry-Schlesinger Commission recommended to the U.S. Congress and is necessary to maintain an effective deterrent.

Lastly, the U.S. intelligence community advised Congress that Russia is currently in violation of Start, as well as other arms control and nonproliferation agreements. The Obama administration’s broader agenda to “get to zero” appears to have compromised the treaty negotiations. This has caused Senator Jon Kyl, Republican of Arizona, to accuse the administration of arms control malpractice.

To put it simply, the new treaty must not compromise U.S. or allied national security. It should not limit U.S. missile defenses or nuclear modernization. The U.S. should oppose a Russian offensive nuclear posture, and counter the further lowering of the nuclear threshold. The United States should pursue a “protect and defend” strategy, which includes a defensive nuclear posture, missile defenses and nuclear modernization.

Ariel Cohen is senior research fellow at the Davis Institute for International Studies at The Heritage Foundation.

#5

Where did Ukraine's Yushchenko go wrong?

By Richard Balmforth

Reuters, January 11, 2009

KIEV - So where did Ukraine's Viktor Yushchenko go wrong?

Five years ago, as the father of the pro-Western "Orange revolution", he was swept into the presidency on a tide of mass protest over electoral fraud.

Now, barring a major upset, the 55-year-old former central bank chief is staring at defeat when he bids for re-election in a poll next Sunday, surveys show.

He risks becoming a historical footnote as the adversary whom he humiliated in 2004, Viktor Yanukovich, appears set for a comeback.

Tens of thousands turned out in the winter of 2004-5 to back Yushchenko, his face disfigured by a mysterious poisoning from dioxin, against a sleazy post-Soviet establishment.

But the story of Yushchenko's reign, analysts say, is that of a man who, once in power, hopelessly lost touch with the faithful who put him there.

He declared he would root out the corruption that plagued Ukrainian business and official life. Instead, though he himself is seen as a clean pair of hands, bribery and cronyism have only ballooned in his five years in office.

Many criticise him for throwing himself obsessively into restoring Ukrainian national identity, and righting, as he sees it, the wrongs of history that deprived Ukraine of statehood in the 20th century.

He once said he would be ready to take a "second dose of dioxin" to defend the memory of lost generations of Ukrainians.

But his aggressive drive to project Ukrainian language and culture, by tearing down Soviet-era monuments, have unnerved millions of ethnic Russians in his diverse country.

And these efforts have often been undertaken at the expense of rebuilding an economy and making the ex-Soviet state of 46 million people fit to join Europe's mainstream.

Exports in key industrial sectors such as steel have fallen sharply, banks have collapsed. Ukraine's financial welfare is reliant on a \$16.4 billion lifeline from the International Monetary Fund. The health service is a shambles.

LONELY FIGURE

His inability to forge a balanced foreign policy between East and West for his country, which sits at the hub of central Europe, has left him looking a lonely figure.

Russian President Dmitry Medvedev, denouncing him as anti-Russian because of his pursuit of NATO membership and his aggressive moves to expunge the Soviet past, will no longer do business with him.

Equally the United States, his patron in the "Orange revolution", has left him high and dry, possibly unimpressed by his lack of strong leadership at home.

For good reasons or bad, he broke early on with Yulia Tymoshenko, twice his prime minister but his main ally on the streets in the heady days of 2004.

He has often been on the wrong side of the argument in clashes with the PR-savvy Tymoshenko, now one of his main challengers for the presidency.

"When he tried to fight tough (with Tymoshenko), he often came off worse," British historian Andrew Wilson, author of "Ukraine's Orange Revolution", told Reuters in an interview.

Insiders say he is not a sound judge of people and he has changed his team of advisers four times in five years. There is also a record of poor time-keeping and bad administration.

He has, overall, seemed to be focussing on the wrong priorities as Ukraine has slid into economic hardship. His powers for handling these problems only diminished with constitutional reform to which he had unwisely signed up.

The result has been political paralysis with the presidency, the prime minister's office and a fractious parliament hopelessly out of tune with one another.

He has failed to broaden his appeal beyond his western Ukraine power base and reach into highly-populated, Russian-speaking areas, the bedrock of Yanukovich's support.

"Yushchenko has never had a strategy for reaching out to the south and the east of Ukraine after the division that emerged in 2004," said Wilson.

Others say that despite his political naivety he must be given credit for establishing the beginnings of a bottom-up democratic culture in his ex-Soviet country.

The Ukrainian media is the freest in the ex-Soviet Commonwealth of Independent States. The freedom of speech and assembly enjoyed in Ukraine is the envy of human rights activists in Russia.

Political analyst Sergei Rudenko, writing in the journal Tyzhden, saw Yushchenko as a "hostage of circumstance", a president-by-accident.

"In Yushchenko's opinion, the nobleness of his historic mission will be judged only by future generations and the electorate do not fully understand the logic of his action.

"One can agree with the president only that he probably turned out to be in the wrong place at the wrong time."

#6

U.S. Overtakes Russia as World's Biggest Natural Gas Producer

By Stephen Bierman

Bloomberg, January 12, 2009

The U.S. overtook Russia as the world's largest natural-gas producer last year as U.S. suppliers tapped unconventional resources while demand in Russia plunged amid the country's worst economic decline on record.

U.S. output advanced 3.9 percent in January through October to 18.3 trillion feet (519 billion cubic meters), according to the latest Department of Energy data. Russian output, about four-fifths of which comes from state-run OAO Gazprom, plunged 17 percent in the period to 462 billion cubic meters.

"Minimal hurricane disruptions and significant growth in production from onshore shale basins have contributed to the increase in domestic supply," the Department of Energy's Energy Information Agency said on its Web site last month.

Russia surpassed the U.S. in gas production in 2002, pumping 539 billion cubic meters versus America's 536 billion, according to BP Plc. Russia, which has the world's largest reserves and a quarter of Europe's market, led the world in output between 1986 and 1996 and again in 1999, the year after the government defaulted on \$40 billion of domestic debt and devalued the ruble.

The EIA said full-year U.S. output probably increased 3.7 percent to the equivalent of 624 billion cubic meters. The agency is slated to release November data on Jan. 29. Russia's annual output fell 12 percent to 582 billion cubic meters.

Demand for gas in Russia, the world's largest user of the fuel after the U.S., contracted last year along with the economy. Prime Minister Vladimir Putin said Dec. 30 that annual gross domestic product declined 8.5 percent, the most since the collapse of the Soviet Union in 1991. Industrial output fell about 11.5 percent, the Economy Ministry said last month.

#7

The Middle Class: Not Rich, Not Poor, But Uncertain Of The Future

By Charles Recknagel

RFE/RL, January 11, 2010

Across a great swath of Eurasia, from the Balkans to Russia to Afghanistan, the middle class and the people who might have become a middle class have trouble making ends meet and little voice in how their countries are governed. Why is the middle class in this region so weak, and what is needed to strengthen it? We look at the questions in a three-part series, beginning with what it means to be "middle class."

In Western countries, the middle class is regarded as the powerful backbone of democratic and prosperous societies.

In the United States, for example, the middle class is widely estimated to account for about 60 percent of the population. Its members are professionals of all kinds, from teachers to police officers to business managers. They pay billions of dollars in taxes, vote in large numbers, and thus play a major role in choosing who governs the country and how.

But across a great swath of Eurasia, from the Balkans to Russia to Afghanistan, the position of the middle class is very tenuous. There, the middle class – or what could become the middle class – is extraordinarily fragile.

One reason for the fragility is that in many of these countries, a new middle class is still emerging from the chaos that followed the collapse of a previously stable order.

Post-Soviet Authoritarianism

In the former Soviet Union, there was the overturning of communism. Out of the ashes, a small but highly visible new commercial class has arisen that has an income level comparable to the Western middle class. But its social values, and view of government, are its own.

"They usually don't endorse the values of democracy and liberalism. They support the social, political, and economic order that has been formed over the past decade in Russia," says Boris Dubin, a sociologist at Russia's independent Levada polling center.

"It's an authoritarian order in which the authorities are not separated from property and in which the top leaders are also the top proprietors."

Dubin says this class makes up 4 to 5 percent of the population and is the current regime's staunchest supporter. He adds that "as a rule, it consists of young people living in large cities."

The values of this commercially successful class contrast sharply with those of the group that many observers once thought would become Russia's new middle class: the Soviet-era intelligentsia.

That group -- composed of intellectuals, artists, and many nongovernmental professionals -- had an independent and often dissident attitude toward the communist apparatchiks who monopolized political power.

But the intelligentsia proved too independent-minded to compete in post-Soviet Russia's top-down economy. Instead, its members have been eclipsed by the entrepreneurs who rose by exploiting their contacts with the government.

Brain Drain

In other countries, a strong middle class does not exist today for quite different reasons.

In Iran, there was the 1979 Islamic Revolution. In the wake of the revolution some 2-3 million people, most of them educated professionals, fled Iran to start new lives in Europe, North America, and the Persian Gulf states.

And in the Balkans, Afghanistan, and Iraq, there was, or is, war. Again, millions have fled or been displaced. At the high point of unrest in Iraq, 40 percent of the country's middle class was reportedly outside the country.

As a result of these dramatic upheavals, a strong potential engine for democracy and prosperity is stalled across much of Eurasia. And the West, which is used to promoting civil society by working with the middle class, finds it lacks regional partners.

The consequences are visible. Autocrats remain in power largely unchallenged by any civic-based opposition parties. There is a widening gap between the wealthy ruling elite and the poor majority.

Middle-Class Values

But if in Russia the stage today is dominated by politically loyal entrepreneurs and elsewhere the middle class is in retreat, the middle class dream remains strong among ordinary people.

From taxi drivers to professionals to small businessmen, many people whose income puts them between rich and poor seek to become part of a stable middle class. And many of the values they espouse are surprisingly like those of their Western counterparts.

A Pew Research Center poll commissioned by "The Economist" magazine last year found that across the developing world, people who identify themselves as middle class largely support democracy.

In Ukraine, for example, 65 percent of middle-class respondents rate honest elections with at least two parties as "very important."

By contrast, poorer people in Ukraine gave less importance to democracy. Just 53 percent of those respondents called the same goal "very important."

In Russia, the number of middle-class respondents rating free elections as very important was lower, at 51 percent. But that is still noticeably higher than the just 37 percent of lower-income Russian respondents who answered similarly.

Who Is Middle Class?

The Pew study, which included 13 countries, defined middle class as people who earn more than \$ 4,286. That is the threshold for the middle class set by the IBRD/World Bank in 2007.

But in many societies, people who earn far less than that will define themselves as middle class.

In Russia, for example, people use a qualitative definition: You are middle class when you have enough to make ends meet plus a little extra to save or spend on pleasure.

"For me middle class means a steadily above-average income, property, a car, that kind of a minimum kit," says entrepreneur Denis Molotkov from the Western Siberian city of Tomsk.

But there are other definitions, too.

Many people define themselves as middle class if their work involves intellectual, rather than physical, labor – even if they make less money than do laborers. Teachers are one example.

In Tajikistan, professors are among the poorest-paid professionals, so much so that many use their summers to seek better-paying jobs on construction sites in neighboring Russia.

But when the school year resumes, they return to the teaching jobs that give them their sense of middle-class status.

"I needed money to live and to complete something at school [work], I mean transport fees and so on. That's why I traveled to Moscow for seasonal work, says one Tajik teacher.

"Money we receive in Moscow is much more than we receive in Tajikistan. With this money we can arrange out life expenses. Our aim is to make some savings and return to school."

Part of the sense of middle-class status that he and other lowly paid teachers across the region share is a conviction that they are helping to influence the future of their country.

Still, if many people today across this part of Eurasia see themselves as middle class – either based upon an income or educational level that is higher than that of the poor – together they have yet to become significant politically.

#8

Tested by Many Foes, Passion of a Russian Dissident Endures

By Ellen Barry

New York Times, January 12, 2010

MOSCOW - You almost feel sorry for the police officer tasked with detaining Lyudmila M. Alexeyeva as she led an unsanctioned protest on New Year's Eve. It is not just that at 82 years of age she appears as fragile as a porcelain teacup, or that she was dressed as a Snow Maiden, complete with sparkly hat and adorable fur muff.

That is part of it. The other part is that as a young woman, Ms. Alexeyeva sat through so many K.G.B. interrogations that she rolls her eyes rather than count them. She was developing a variety of strategies to distract, deflect and otherwise irritate the authorities before the police officer's parents were out of grade school.

Upon hearing the details of Ms. Alexeyeva's arrest, Paul Goldberg - who wrote with her "The Thaw Generation: Coming of Age in the Post-Stalin Era," her memoir of life as a dissident - started to laugh. "They should actually print out pictures of Lyudmila Alexeyeva and hand them out to all the law enforcement authorities with a note saying 'Do not arrest this person,' " said Mr. Goldberg, now an editor in Washington. "It is not fun to tangle with this person. She will make you feel like dirt, and she will not do it gratuitously. She will do it because you are dirt."

Ms. Alexeyeva is now, by her own count, in her 43rd year of provoking official Moscow. The enemy these days is the soft authoritarian government ushered in by Vladimir V. Putin, previously the president and now prime minister, who methodically constricted the human rights movement. But long before that it was the airless confinement of Leonid Brezhnev's Soviet Union, where Ms. Alexeyeva was one of a tiny group of intellectuals who risked their lives to press for freedom and human rights.

Nearly all from her circle are dead now, but the aura around them has never quite dissipated. Ms. Alexeyeva, who now walks with difficulty, can still lead a demonstration, which is what she was doing when she was detained on New Year's Eve. Just a shade over five feet tall, she provokes reverence, exasperation and the question of how the movement will reshape itself when the grande dame is gone.

Ms. Alexeyeva grew up in a world suffused with whispers. There was muffled weeping when her neighbors were arrested in Stalin's purges. At 19, she was reported to a party secretary for reciting banned poetry. Soon after she turned 40, she volunteered to type the Chronicle of Current Events, a journal compiled in such secrecy that not even its contributors knew one another's roles. Once, hauled in for questioning, Ms. Alexeyeva stuffed eight copies of the manuscript into her bra.

Everyone knew the sentence for crimes against the state: seven years in a penal camp and five years in exile. On her way into K.G.B. headquarters, Ms. Alexeyeva would stop to buy a ham sandwich, an éclair and an orange. These were delicacies in 1970s, even for the investigator, who was headed for a lunch of gray cutlets. Halfway through, Ms. Alexeyeva would unwrap her lunch and lay it out on the table.

"They reacted very nervously when they started to smell ham," she said with a sweet smile. "Then I would start eating the orange, and the aroma would start dissipating through the room.? The effect was reliably hypnotic.

"That's how I amused myself," she said. "It was a way to play on his nerves."

Her career could have ended with emigration, as many of her colleagues' did. But in 1993, after 16 years in the United States, Ms. Alexeyeva and her husband moved back to a changed Russia. As chairwoman of the Moscow Helsinki Group, the organization she helped found in 1976, she surveyed a changed landscape. Human rights organizations worked out of offices and published their work on Web sites. What they did was now legal.

New fears have replaced the old ones, though. Ms. Alexeyeva has received death threats, and last year she buried two friends who were killed. Legal risks are unpredictable, too. While Soviet dissidents could strategize to protect themselves ? knowing, for example, that prosecutors needed at least two witnesses - their tricks are of no use in a post-Soviet justice system, where cases can be wholly fabricated, she said.

"Now they do what they want," she said. "There were rules then. They were idiotic rules, but there were rules, and if you knew them you could defend yourself."

Equally troubling, for some of her peers, is the fact that human rights campaigners still address the same narrow, elite slice of society they did in Soviet times - their argument is simply steamrolled by Mr. Putin's popularity. Tanya Lokshina, deputy director of the Moscow office of Human Rights Watch, said that activists faced the central challenge of "finding the language that is convincing for Russian society."

"That language would have to be different from the language used by Soviet dissenters," she said. "In a sense, it is easier, strategy-wise, to be opposed to a full totalitarian regime than it is to try to counter a more sophisticated, strongly authoritarian one. There is some freedom. How do you explain to people what exactly they are lacking?"

Ms. Alexeyeva has heard these arguments, and she rejects them. She casts the democratic rollbacks of the Putin period as the recoil that inevitably follows revolution, not as a catastrophe. As for the notion of outreach to the public, she believes that Russians are passive because they are poor, and that that will not change as long as they remain so.

"They are completely not stupid people; they understand everything," she said. "They just have no power to act. They have no power to even think about these issues, to analyze them, never mind being active." She pointed to long-stemmed roses sent by a man she had helped free from prison.

"We don't need to convince him using any marketing. He understands that I helped him," she said. "We will keep focusing our strength on this, helping people. That is our marketing."

That said, there are moments when Ms. Alexeyeva shows a grandmaster's genius for getting her message out, especially to the West. One was her New Year's Eve rally, regularly held on the 31st day of the month in homage to the article in the Russian Constitution, which guarantees the freedom of assembly. The last time, everyone was arrested except Ms. Alexeyeva, but this time she was swept up with 50 others onto waiting buses. It did not take long for the police to realize their error: within 40 minutes, one of them opened the doors of the bus and told Ms. Alexeyeva she was free to go. She refused, and by that time photographs were beamed around the world showing a wraithlike woman looking up apparently in terror at an officer in camouflage.

In fact, Ms. Alexeyeva had rather expected to be arrested, so she had ordered a shipment of hot meat pies delivered to her apartment and told the guard to admit her New Year guests. A party was in full swing at 11 p.m., when she arrived home from the police headquarters. Russian leaders would wake up to angry statements from the United States National Security Council, and then from the president of the European Parliament, Jerzy Buzek, who said he was "profoundly and personally touched when I think that this very respectful 82-year-old woman spent the night of New Year's Eve under Russian arrest."

A few days later, as she watched snow sift past her window, she retold the story for the hundredth time with evident satisfaction.

"If it serves as a lesson to them, I wouldn't call it a victory, but it would be useful," she said. "Whether it will serve as a lesson I can't say, because they study very badly."

#9

Report: Democratic Decline Continues Across Former Soviet States

By Nikola Krastev

RFE/RL, January 12, 2010

The U.S.-based human rights watchdog Freedom House says 2009 saw more setbacks than improvements, with 40 countries and territories covered in its latest survey experiencing declines in democratic freedoms, including most of the post-Soviet area.

Freedom House has issued its annual measure of freedom in the world since 1972. For its survey, it looks at everything from freedom of expression to political pluralism and the right to free association.

Its 2010 "Freedom in the World" survey, which reviews indicators from 2009, was released on January 12. It tracks a worrisome trend – an ongoing, multiyear decline in the former non-Baltic Soviet states. The most significant steps backward were witnessed in the areas of governance and the electoral process.

In countries ranging from Belarus to Uzbekistan, the "Freedom in the World" survey reveals a lack of institutional accountability and transparency. In a vast majority of the post-Soviet space, a vast zone of unchecked authority has been created in the absence of an independent judiciary and the marginalization of the independent media and political opposition.

2009 was the fourth consecutive year marking the trend. Christopher Walker, the director of studies for Freedom House and one of the authors of the report, says the findings suggest the screws are only being tightened further.

"This year's findings tend to amplify some of the trends we've seen in recent years, including a deepening of authoritarian rule throughout much of the non-Baltic former Soviet Union," Walker says.

"Among other countries, Russia underwent declines. This was a year that saw Kyrgyzstan go from [an overall rating of] 'partly free' to 'not free.' It also saw some of the few positive spots, including Ukraine, hold steady over the course of this calendar year, coming into Ukraine's elections in early 2010."

Russia continued a long-standing trend in crackdowns on accountability and transparency, Walker says, despite pledges by Russian President Dmitry Medvedev to restore public debate and a more liberal political atmosphere in Russia after eight years under Vladimir Putin.

"All in all, what we've seen is the continuation of the space that has shrunk over the past several years. And this last cycle is one where President Medvedev has been in control," Walker says.

"And there's nothing to suggest that the policies he's pursued have modified or altered the basic framework of governance that has been put in place before him."

Russia's downward trend included voting abuse in local elections, growing state manipulation in the academic presentation of history, and the ongoing use of political pressure to intimidate human rights activists and journalists.

Russia has steadily declined in the Freedom House rankings over the past decade, sinking from a "partly free" overall rating to "not free."

The 'Putin Effect'

Arch Puddington, Freedom House's director of research and one of the authors of the report, says the steady erosion of political rights and civil liberties in Russia is a consequence of what he calls the "Putin effect."

"An important part of the Putin agenda was to consolidate centralized state control over as much of Russian society as possible. And the second part of the Putin effect is what happened in the [post-Soviet] neighborhood as well," Puddington says.

"We see a decline in political conditions in a number of countries in the Russian neighborhood, and we see that as having been in part driven by Putin's diplomacy."

Russia's influence over its post-Soviet neighbors is undeniably significant. Puddington says some countries, particularly the energy-rich Caspian states, are pursuing their own versions of authoritarianism as they seek to

break their ties with Moscow. But he adds that ultimately, most of the countries in the region are following the Russian model.

"Countries like Kazakhstan and Azerbaijan don't want to be dominated by Russia, and they work to keep their independence; they're not puppets of Russia," Puddington says.

"But they are strongly influenced by Russia; they have political systems that are quite similar to Russia's political system. I think that you're going to see Russia influencing the democratic direction of the whole region for a couple of decades to come."

Disappointment In Central Asia

In the latest survey, Kyrgyzstan -- once the center of pro-democracy hopes in Central Asia -- moved from "partly free" to "not free" category. The downgrade was due, in part, to claims of voter irregularities in the country's July 2009 presidential election, consolidation of power in the executive branch, and new restrictive legislation on freedom of religion.

The setback means the entire region of Central Asia is now rated "not free." Walker says the hopes that bloomed in 2005 for Kyrgyzstan and the region are now history.

"Kyrgyzstan has turned out to be a sour disappointment in terms of political rights and civil liberties, and has trended downwards over the last two years," he says. "This year the consolidation of executive power, and the other issues connected to transparent governance, contributed to the country moving over the threshold from the 'partly free' group into the 'not free.'"

Kazakhstan is another problem country in Central Asia. The energy-rich state witnessed a continued crackdown on journalists and rights activists. This included the case of human rights worker Yevgeny Zhovtis, who last year received a heavy prison sentence for his role in a fatal traffic accident.

Supporters said the sentence was punishment for his activism. Observers like Walker worried that the Zhovtis case and others like it set a worrying tone as Kazakhstan prepared to become the first post-Soviet country to hold the chairmanship of the Organization for Security and Cooperation in Europe (OSCE).

Walker says the Zhovtis case "was evaluated in tandem with pressure on the news media, including problems with 'Respublika' [newspaper], and other ongoing pressures on the independent sectors in Kazakhstan, which really are at direct odds with the pledges and the spirit of OSCE chairmanship obligations. To the extent that 2009 suggests the standard for Kazakhstan, it really does raise some serious concerns about the country's fitness to hold the chairmanship which it is now assuming."

Azerbaijan is another country that has shown a continuation of very restrictive policies. Walker cited as particularly problematic the trial of bloggers Emin Milli and Adnan Hajizada, who were subjected to a long pretrial detention and ultimately convicted of hooliganism for an incident in a restaurant after they posted political videos on the Internet.

"This, for many, was a signal both to users of new media as well as to the youth in Azerbaijan to steer clear of the politics in the country at exactly the time when the country needs a more candid conversation about public policies, diversification of the economy, and corruption," Walker says.

Turkmenistan and Uzbekistan continue to hold the lowest freedom rankings, not only among the countries of the former Soviet Union but globally.

Some Hopeful Signs

In Georgia, Walker says 2009 was a period of relative stability in comparison to the previous two years, which were marked by violent domestic upheaval and a military conflict with Russia:

"There has been an element of easing of the sort of highly polemical environment that we have seen in calendar [year] 2007 and 2008," Walker says. "The coming year will be particularly important to see whether the opposition can begin to build some meaningful alternative programs and to see whether the Saakashvili government can begin to make good on some of its pledges to further democratization in the country."

Ukraine, for all of the flows and challenges that it has confronted since the 2004 Orange Revolution and the election of a pro-Western president, remains an example of some considerable democratic durability.

"The elections that have been held in the country so far since late 2004 have been competitive, they've been plural, they've had a number of different forces involved in the political battles there," Walker says. "And by and large the news media has been able to comment with relative openness on this process."

Outside of the former Soviet Union, one bright spot noted by Walker was Southeastern Europe. There, the status of the newly independent nation Kosovo improved from "not free" to "partly free," due to greater recognition of minority rights and the conduct of its November parliamentary elections, which were generally deemed to be in compliance with international standards.

Montenegro's status moved from "partly free" to "free," due to the successful organization of parliamentary elections in March and progress in adopting anticorruption legislation.

#10

Kyrgyzstan Relegated To The Back Of The Freedom Class

By Bruce Pannier

RFE/RL, January 12, 2010

WATCH: Ismail Isakov's sentencing in the Bishkek Military Court to eight years in prison for corruption sparked scuffles. Isakov's supporters shouted "Damnation! Damnation" as he was led from the courtroom.

That the rights situation in Kyrgyzstan is growing worse is no secret. There have been plenty of examples just in the last few weeks that demonstrate the deterioration of the rights situation in the country, once held up by Western democracies as a model for neighboring states to follow.

On January 11, Ismail Isakov, who served as defense minister under President Kurmanbek Bakiev from 2005 until 2008, and then as secretary of Kyrgyzstan's Security Council until October that year, was found guilty of abuse of office and sentenced to eight years in jail.

Many in Kyrgyzstan have great respect for Isakov and several of the witnesses at his trial testified in Isakov's favor. A statement from the opposition United People's Movement today noted that even the judge in the trial praised Isakov's work as defense minister.

In fact, no one seemed to question Isakov's work or his loyalty until he joined the United People's Movement in October 2008. Charges against him surfaced just days later. Speaking in the courtroom at his sentencing, Isakov warned of growing oppression in Kyrgyzstan.

"No one among the [Kyrgyz] people could be indifferent to these kinds of cases," Isakov said.

"If we do not stop the oppression, the despotic willfulness, the politics of repression against their own nation, the politics of rejection of their own people's views, then tomorrow it will be too late."

President Kurmanbek Bakiev has been accused of centralizing all power in his own hands. Kyrgyzstan is indeed headed in the wrong direction, according to Freedom House, the U.S.-based human rights watchdog. Dedicated to monitoring how governments respect basic rights and freedoms, it downgraded Kyrgyzstan's status for the first time from "partly free" to "not free" in a report released today.

And Freedom House is not the only international rights group to arrive at that conclusion, after a series of events over the past year raised serious questions about President Bakiev's government.

Kyrgyzstan 'Not Free'

Christopher Walker is the director of studies at Freedom House. He says that freedom has been on the decline in Kyrgyzstan for the last few years. He describes the move from "partly free" to "not free" as "one of the key category shifts globally."

He says the country "lost the promise that it had shown starting in the spring of 2005 and this capped a decline over the last couple of cycles where we had reviewed Kyrgyzstan where we had identified a constriction of political space in that country."

Walker says events in Kyrgyzstan finally reached the point where his organization felt the country could no longer be designated as "partly free."

"The trigger this year to move the country over the threshold from 'partly free' to 'not free' was a combination of the consolidation and concentration of power in the executive branch, along with observable irregularities in the presidential elections," Walker says.

Kyrgyz police responses to opposition rallies have become more heavy-handed.

"We also noted some very, very worrisome violence against journalists with the year ending with two Kyrgyz reporters being killed under unclear circumstances. But it was a piece of the broader concerns that are emerging in Kyrgyzstan where independent institutions and opposing voices seem to be coming under increasing pressure."

Violence, Criminal Charges

That process appears to be continuing, with another former top official under President Bakiev who switched sides to the opposition facing charges.

Alibek Jekshenkulov was foreign minister from 2005 to 2007, and then in February 2008 he joined the United People's Movement. In March 2009, he was detained on charges that a pistol belonging to him was allegedly used in a murder in late 2007. His trial will reconvene on January 15.

Other opposition leaders who were once members of Bakiev's government have either been so marginalized as to represent no challenge to Bakiev or have been transferred to diplomatic posts outside the country.

The former head of the presidential administration, Medet Sadyrkulov, resigned from his post in January 2009 and was reportedly considering joining the opposition. He died in a mysterious car crash in March.

At the same time the political opposition has been suffering one setback after another, independent journalism has been hit even worse.

Journalist Gennady Pavlyuk was killed across the border in Kazakhstan.

Two journalists were killed toward the end of 2009. One, Gennady Pavlyuk, who was critical of Bakiev's government, was killed in neighboring Kazakhstan last month when he was thrown from a high-rise building with his hands and feet bound. Kazakh investigators said the killers came from Kyrgyzstan.

Several other independent journalists were beaten, some severely, during 2009, and some journalists and several political opponents of Bakiev took refuge abroad.

Broken Promises

Beatings and killings of journalists and political opponents were practically unheard of in Kyrgyzstan before Bakiev came to power.

When Bakiev became Kyrgyzstan's leader following the so-called Tulip Revolution in March 2005, he promised to implement a number of reforms aimed at strengthening democracy in the country.

Among those reforms were making all the country's media independent, strengthening the role of the political opposition in Kyrgyzstan, and changing the constitution so that power, which rested mainly in the hand of the executive branch of government, would be more equally distributed to the judicial and legislative branches.

Instead, independent media has been harassed and harried in the last year, a new political party Bakiev helped to create, the Ak Jol (Best Path) Popular Party, holds an absolute majority in parliament, and a restructuring of the government Bakiev undertook in late October subordinated almost all government offices and institutions under the president.

Bakiev also plans to introduce amendments to the constitution that would formalize the new powers he enjoys under the restructured government.

#11

As NATO Redrafts Priorities, Albright Says Alliance Must Adapt To New Realities

By Brian Whitmore

RFE/RL, January 12, 2010

Former U.S. Secretary of State Madeleine Albright says now is the time for NATO to "renew its vows" to provide security to its members in an increasingly dangerous world.

Albright was speaking today at the opening of an international conference in Prague aimed at redefining the Western alliance's mission for the 21st century.

The former top U.S. diplomat is chairing a panel of experts charged with drafting a new NATO strategic concept that will be considered at the alliance's 2010 summit later this year in Lisbon. The document, once approved, will outline NATO's core priorities.

Speaking in Prague's ornate Czernin Palace, which houses the Czech Foreign Ministry, Albright noted that it has been more than a decade since the alliance updated its core mission statement.

"The last strategic concept was done in 1999, which was before the new countries were active members of NATO and before 9/11," Albright said.

"And so I think that with an alliance that is 60 years old -- some of us are slightly older -- it requires a kind of rededication, a renewal of vows."

The overhaul of NATO's strategic concept comes at a time when new members of the alliance, mostly former Soviet satellite states in Eastern Europe, have become increasingly anxious about a newly assertive Russia -- and apprehensive about the trans-Atlantic alliance's ability to protect them.

Article 5 Jitters

Specifically, there is growing concern, particularly in Poland and the Baltic states, that NATO's eastern borders remain largely unprotected.

There are also worries in Eastern Europe that Article 5 of the alliance charter, which obligates the entire alliance to come to the defense of a member who is attacked, would not be honored should Russia move against one of its former Warsaw Pact vassals.

In July, a group of prominent Eastern European intellectuals and former officials – including former Czech and Polish Presidents Vaclav Havel and Lech Walesa – published an open letter to U.S. President Barack Obama expressing their fears that NATO has become weaker as Russia gets stronger and more assertive.

"NATO today seems weaker than when we joined. In many of our countries it is perceived as less and less relevant – and we feel it," they wrote. "Although we are full members, people question whether NATO would be willing and able to come to our defense in some future crises."

Earlier today, Alexandr Vondra, a member of the Czech Senate and former deputy prime minister, said new members needed "a new affirmation...that the commitment on joint defense is taken seriously."

Albright sought to allay these fears, reiterating the importance and reliability of Article 5 while stressing the importance of improving relations with Moscow.

"There is no question that an important concept is reassurance, that Article 5 is central to the NATO alliance, and at the same time it is very important to also reset our relations with Russia," Albright said.

Old And New Missions

There is also unease among Eastern Europe's NATO members about the alliance's new focus on "out of area" missions, like the one in Afghanistan. Some officials fear that these missions will mean there are too few resources left to fulfill the alliance's core task of protecting its members.

At a NATO defense ministers' meeting in Bratislava in October, Secretary-General Anders Fogh Rasmussen sought to assuage those fears, saying that "NATO's core task was, is, and will remain the defense of our territory and our populations. For our alliance to endure, all members must feel that they are safe and secure."

At the same meeting, U.S. Assistant Secretary of Defense Alexander Vershbow said NATO's new strategic concept will need to "strike the right balance among old and new missions."

Albright stressed, however, that NATO's out-of-area missions are vital, saying they help create "the stability that is necessary in the 21st century not only for the members of NATO directly but for the other countries."

She also stressed that NATO needs to adjust to a rapidly changing world.

"We realize that we are dealing with the most powerful military alliance in the history of the world that in fact has served an immensely important purpose [and] that the world, as it evolves in the 21st century, will continue to need NATO, and that NATO does need to adapt itself to the new situation," Albright said.

#12

US-Azerbaijani Relations Cooling

By Alman Mir-Ismael

Eurasia Daily Monitor, January 11, 2010

The end of 2009 saw a significant cooling of relations between the United States and Azerbaijan. Frustration in Baku with Washington's policies, if not addressed, might significantly damage the bilateral relationship in the long run and undermine US strategic objectives in the energy-rich Caspian region.

Foremost, Azerbaijani political circles have been annoyed by Washington's year-long insistence and active push for the opening of the Turkish-Armenian border without putting the liberation of the occupied Azerbaijani territories as a pre-condition. This, Azerbaijani officials believe, not only damages Azerbaijan's national interests, but also weakens the peace process on Karabakh, by making Armenia less willing to compromise in negotiations. Open critique of Washington's policies has come from officials in the Azerbaijani capital. Novruz Mammadov, the head of presidential administration's foreign relations department, said at an international conference in Baku in November, "While the US provides strong moral and financial support to Armenia, which occupies Azerbaijani lands, we do not

see significant assistance to Azerbaijan on the part of Washington.” Mammadov mentioned the intense pressure by the US on Azerbaijani officials in regards to the arrest of two bloggers in the summer of 2009. “We consider this as a tool of pressure on Azerbaijan,” stated Mammadov (Musavat, November 24).

Moreover, the appropriation by the US Congress of \$8 million in humanitarian assistance to Karabakh provoked a major protest in Baku. Both official and non-governmental circles have expressed disagreement and disappointment with this policy on the part of Washington, claiming that it unjustly favors the Armenian community in Karabakh over the Azeris, helps to strengthen the illegal regime in the occupied lands and damages the reputation of the US as a neutral mediator.

Azerbaijan’s foreign ministry sent a note of protest to the US Government on December 18 (Trend News, December 18) and one member of parliament, Jamil Hasanli, called for the re-consideration of the strategic partnership with the US (www.day.az, December 24). Widespread condemnation of US foreign policy came from all sectors. The Vice-Speaker of the Parliament Ziyafat Asgarov said, “From the Azerbaijani side, we do not understand this step by the US, which calls us a strategic partner” (Kaspiy, December 12). A number of NGO’s have also sent their protest letters to the US Congress and a few opposition parties have staged protest rallies outside the US embassy in Baku (www.day.az, December 24).

Finally, the annual Freedom House report on the “Freedom of the Press 2009” denoted Karabakh as a joint Armenian-Azerbaijani territory, while rightly assigning South Ossetia and Abkhazia as Georgian territory. This was interpreted in Baku as an insult, considering the fact that the organization is funded by the US government. “Freedom House serves the interests of those who send \$8 million to the separatists in Karabakh. This organization has long discredited itself,” said Elnur Aslanov, the head of department in the presidential administration (APA News Agency, December 14).

Perhaps, these events have been blown out of proportion in Azerbaijan, more so than in recent years. This also has to do with the strengthening of the Azerbaijani economy and as a result of its more strident political stance. Yet, the fact that Azerbaijan more frequently expresses frustration and annoyance with US policies shows that US-Azerbaijani relations are experiencing strategic rather than merely tactical coolness.

Indeed, the wars in Iraq and Afghanistan, economic crisis and loss of ideological attractiveness have made the US unpopular in many parts of the world, including the South Caucasus. The times when former Soviet republics were eager to align themselves with the US have remained rooted in early 1990’s. Strategic projects such as Baku-Tbilisi-Ceyhan pipeline, which have served to unite the interests of Azerbaijan and the US in the region, have also become part of history. The “reset” in US relations with Russia raises fears that it will come at the expense of the other newly independent states, thus bringing more distrust of Washington in Baku.

Meanwhile, a strengthened Azerbaijan, frustrated with the lack of progress on the resolution of the Karabakh conflict and dissatisfied with what is perceived as the short-sighted policies of President Barack Obama in regards to re-opening the Armenian-Turkish border, considers the US less as a strategic partner. There is an urgent need for US policy makers to pursue new large-scale projects, such as Nabucco, in order to boost its political standing in the region. High profile visits to the region are also of the utmost importance. But to begin with, bilateral relations would improve if the United States dispatched an ambassador to this critical Caspian state as the current post still remains vacant. Otherwise, the US might soon witness a further decline in its political standing in the region.

#13

Apathy High, Expectations Low Ahead Of Ukrainian Presidential Vote

By Maryana Drach

RFE/RL, January 13, 2009

During Ukraine’s Orange Revolution five years ago, Roman Balayan voted for Viktor Yushchenko.

But as Ukrainians prepare to head to the polls to vote in the first presidential ballot since that history-making season, the respected ethnic Armenian filmmaker says this time, he will just stay home:

"I participated in the elections twice -- in 1991, and in 2004, when I voted for Yushchenko. But I'm not going to go now," Balayan says. "They only care about votes; they don't care about actual people. I don't want to participate in this."

According to polls, about a quarter of Ukrainian voters are prepared to follow Balayan's example. Those numbers may be unremarkable by European standards, but they're high for Ukraine, where citizens are active voters.

The front-runner as the poll approaches is the big loser of the Orange Revolution -- Yushchenko's former rival, Viktor Yanukovych of the Party of Regions. Yanukovych is expected to head into a second round, already scheduled for February 7, with Prime Minister Yulia Tymoshenko.

The race is largely focused on the contest between Yanukovych and Tymoshenko. In all, however, there are 18 candidates running for the presidential office.

Presidential election billboards in downtown Kyiv

These include the beleaguered incumbent, Yushchenko, who is currently polling in the single digits. They also include Vasyl Protivysikh, whose surname translates as "against all," and whose candidacy reflects the sour mood of many Ukrainian voters.

Only 7 percent of Ukrainians see their country as moving in the right direction, according to a poll released by the Kyiv-based Razumkov public opinion center last month. Declining social-welfare standards and a belief that corruption is spiraling out of control are seen as the main reasons for the mounting dissatisfaction.

Chaotic Preparations

That sense of bitterness appears to be affecting preparations for the election as well. According to the Voters Committee of Ukraine, an NGO that monitors the country's election processes, Ukraine is less prepared for this week's presidential vote than it was five years ago.

The head of the NGO, Oleksandr Chernenko, says preparations for the elections have been chaotic. "Many of those who chaired election commissions, or were deputy chairs and secretaries [in past elections] are now refusing to perform this function," he says. "The general situation in the country is affecting the election process."

Chernenko says that the Voters Committee of Ukraine has already received complaints that candidates are bribing local election-commission members. The Ukrainian Security Service (SBU) this week said there have been confirmed cases of graft in local election bureaus in the eastern cities of Luhansk and Donetsk.

Speaking to journalists in Kyiv on January 11, SBU head Valentyn Nalyvaychenko described other attempts to alter the election's outcome.

Presidential candidate Yulia Tymoshenko speaks to a rally of supporters in Volodymyr-Volynskiy.

"We are aware of the plans by some 'technical' candidates to send out notices about the elections, saying voters will be required to pay their utility bills when they turn up at the polling stations. This is a lie," Nalyvaychenko said.

"Another lie is that young people [who have not performed army service] will be called into service when they show up at the polls. We reject this information as false."

Media reports have also surfaced of disenchanted voters attempting to sell their votes on the Internet for cash. According to the website prodaygolos.com.ua, the average price of the votes on offer had risen as high as 907 hryvnyas (\$113) a piece. One post offers four votes in exchange for a refrigerator; another asks for a new camera. The asking prices are much lower in rural areas, where the population is less Internet-savvy.

Ukrainian observers say that people who feel that they have no real choice at the presidential poll are more likely to participate in such schemes. But according to the Democratic Initiatives Foundation poll, three-quarters of Ukrainians say they wouldn't sell their votes, which is a crime in Ukraine, under any circumstances.

Official Support

The Ukrainian authorities have promised to counter all attempts to falsify the elections, and ensure that the conduct of the vote is free and fair.

However, it may be too late to address some of the issues. Today the Ukrainian parliament, the Verkhovna Rada, met in extraordinary session to address some of the disputed issues, such as procedures for voting at home and making changes to voter lists as late as election day.

Ukrainian electoral experts agree that the current system provides openings for potential falsification. But it is unclear whether parliament deputies will be able to amend the law on presidential elections in a way that will have any meaningful impact on the upcoming vote.

In the meantime, the main concern for those involved in conducting the elections is a lack of resources. As the country began looking ahead to the elections, Ukraine's Central Election Commission issued several alarmist appeals, calling on authorities to better fund preparations for the ballot. Money eventually began to flow, but not in time to spare election officials from a number of procedural headaches.

According to the SBU, some local election commissions are operating without office equipment, telephone and transportation services, secure locks, or even heating.

Presidential Powers

It's not only the election commissions that are underfunded. Ukrainian voters will go to the polling stations worried about their own wallets as well. In 2009, the Ukrainian economy shrank by 15 percent, one of the worst drops witnessed in Europe.

Iryna Bekeshkina, research director of the Democratic Initiatives Foundation in Kyiv, warns that the new president – whoever he or she may be – might not be able to quickly put the country's economic house in order.

President Viktor Yushchenko looks unlikely to win reelection.

"People, first of all, expect positive changes in the economy – that their incomes will go up, that they will be able to get their money back from the banks," Bekeshkina says. "The problem is that these issues do not all fall under the competency of the president."

The Ukrainian political elite is still actively discussing changes to the constitution that would strike a different balance between the responsibilities of the president and the prime minister, the posts expected to be held by Yanukovich and Tymoshenko when the second round has concluded.

The presidential poll is seen as a key aspect of the wrangling over the division of powers, and is likely to be followed by a snap parliamentary poll.

Plummeting Expectations

Political commentators in Ukraine have complained that this presidential campaign has produced little in the way of suspense or heat.

However, it hasn't been without a dose of humor – as in the case of one Ukrainian television channel, which created its own presidential candidate, Yevhen Lupan, who presented himself as the "most honest" choice for the job.

"I will steal. I am saying this frankly and transparently. But each month I will report how much I stole, and where the money went," Lupan said.

"My face will grow so fat that any true Ukrainian who wants to spit on me – and surely there will be people like this – won't miss."

In the meantime, Ukrainian sociologists are noting that voters are lowering their expectations regarding the candidates' ability to deliver on their campaign pledges.

The most that many Ukrainians are hoping for, it seems, is that their next president will at the very least not make things worse.

#14

Kyrgyz Opposition Criticizes U.S. Reaction To Rights Violations RFE/RL, January 13, 2010

BISHKEK -- A Kyrgyz opposition leader has criticized the United States for not speaking out about media freedom and other rights violations in Kyrgyzstan, RFE/RL's Kyrgyz Service reports.

Opposition Social Democratic Party (SDP) leader Almazbek Atambaev told RFE/RL today that the U.S. Embassy in Kyrgyzstan used to express its concern about the human rights situation in the country, but that American officials find maintaining the air base in Bishkek -- known as the NATO Transit Center at Manas Airport -- more important than criticizing the human rights situation in Kyrgyzstan.

Meanwhile, nine Kyrgyz opposition activists started a hunger strike in Bishkek today in support of former Defense Minister Ismail Isakov. The action is led by Topchubek Turgunaliyev of the United Popular Movement (UPM), an umbrella group of opposition blocs and parties.

Isakov was found guilty of corruption and sentenced to eight years in prison by a Bishkek Military Court on January 11. He was also stripped of his military rank.

Some 70 relatives and supporters of Isakov are holding a rally in his support and are putting up tents in Isakov's native Alai region, a mountainous area in southern Kyrgyzstan.

On January 12, several opposition activists established a Committee in Defense of General Isakov, demanding an end to the persecution of opposition activists and independent journalists as well as for Isakov to be acquitted of all charges.

Isakov, a lieutenant-general who served as Kyrgyzstan's defense minister from 2005-2008, was sentenced for granting an apartment to someone based on false documents.

In a final statement at the trial, Isakov said the criminal charges against him are politically motivated and he urged the judge not to issue a verdict that was ordered by the government.

Isakov was a close associate of Kyrgyz President Kurmanbek Bakiev and became defense minister shortly after the March 2005 Tulip Revolution that brought Bakiev to power.

Isakov was appointed secretary of the National Security Council in May 2008. He left the post in October 2008 and joined Kyrgyzstan's political opposition.

Colleagues and human rights groups have said the case against Isakov is in retaliation for his opposition activity.

#15

Turkey, Russia Report Progress On Pipeline Deals RFE/RL, January 13, 2010

Russian Prime Minister Vladimir Putin says Moscow has made considerable progress in securing permission to build a section of a key strategic pipeline in Turkish waters.

Putin made his comments following a meeting with Turkish Prime Minister Recep Tayyip Erdogan, who is wrapping up a two-day visit to Moscow.

"We have an agreement that by November 10, 2010, after receiving our data, the Turkish government will make its own assessment and give us permission to begin construction," Putin said. "During our talks today, the prime minister reaffirmed this intention of the Turkish government."

Moscow is seeking to build part of the South Stream pipeline, which would create a new route for Russian natural gas deliveries to Europe that bypasses Ukraine, through Turkish waters in the Black Sea.

In August, Turkey granted Russia's state-run natural-gas monopoly Gazprom the right to explore its Black Sea territorial waters.

In televised remarks at the start of his meeting with Erdogan, Putin praised the deepening Russo-Turkish partnership.

"We have large joint projects in the areas of energy, telecommunications, and industry. Our task now is to diversify our relations," Putin said.

Earlier in the day, Erdogan met with Russian President Dmitry Medvedev and invited him to visit Turkey in May or June.

South Stream Vs. Nabucco

Russia's proposed South Stream pipeline is a direct competitor to the European Union-backed Nabucco project, a Western effort to decrease Europe's energy dependence on Moscow by transporting gas from the Caspian Sea area to Europe via Turkey – bypassing Russia.

Turkey is also a key player in Nabucco and says the two projects should complement each other. It is unclear, however, whether there is enough gas to fill both pipelines.

Funded by Russia's Gazprom and Italy's Eni, the proposed South Stream pipeline would transport Russian gas under the Black Sea to the EU via Bulgaria. Russia introduced it in 2007 as an alternative route that bypasses Ukraine and Belarus, whose chronic price disputes with Moscow have periodically disrupted Europe's energy supplies.

South Stream is slated to go online in 2015.

For its part, Turkey is seeking Moscow's support in building its own pipeline from the Black Sea port of Samsun to Ceyhan on the Mediterranean.

Russian news agencies quoted Deputy Prime Minister Igor Sechin as saying that Moscow will "actively" participate in that project and that talks are underway to discuss the specific terms. Putin said he has proposed a tripartite agreement between Turkey, Russia, and Italy to build the pipeline.

Putin praised Turkey as a trading partner, despite a drop-off during last year's economic downturn.

"Unfortunately, the global financial crisis has affected our economic relations," Putin said. "Our trade had reached nearly \$35 billion but then it unfortunately dropped by 40 percent. Nevertheless, Turkey remains one of Russia's biggest trade partners, surpassing the United States and Britain."

Nuclear Plans

The two sides also discussed nuclear energy. Sechin and Turkish Energy and Natural Resources Minister Taner Yildiz signed a joint statement on building a nuclear power plant in Turkey. In November, Turkey scrapped a 2008 tender won by a Russian-led consortium to build the country's first nuclear power plant.

The longstanding conflict over Nagorno-Karabakh, a territory that is legally part of Azerbaijan but occupied and controlled by Armenia, also came up in the talks. Ankara has long wanted Russia to pressure Armenia to reach a settlement with Azerbaijan, a close ally of Turkey.

The issue has complicated the recent normalization of relations between Turkey and Armenia, which Russia helped broker.

Putin said, however, that the Nagorno-Karabakh issue should not be linked to Turkish-Armenian relations, saying, "I do not think it is right to put them in one package."

Russian Foreign Minister Sergei Lavrov was in Yerevan today for talks with Armenian officials.

#16

Putin Is Medvedev's Biggest Spoiler

By David J. Kramer

Moscow Times, January 13, 2010

Comments by Prime Minister Vladimir Putin in late December must have come as an unwelcome surprise to Presidents Barack Obama and Dmitry Medvedev as they try to conclude a new U.S.-Russian arms control agreement to replace the Strategic Arms Reduction Treaty, or START, that expired on Dec. 5.

But this was not the first time that Putin has thrown cold water on Medvedev's efforts. In June, Putin stunned Medvedev and leaders in the West by announcing a change in Russia's approach to pursuing membership in the World Trade Organization just when everyone thought that Russia was about to cross the WTO finish line. In both cases, Putin reminded Medvedev and the international community that if you want to get things done, it isn't good enough to just have the Russian president on board. The prime minister has virtual veto power.

The latest problems arose following a meeting between Medvedev and Obama in Copenhagen on Dec. 18. They announced that their negotiators were close to reaching agreement on the START replacement treaty. Despite last-minute snags and sticking points over inspections and telemetry, both sides expected to finalize the agreement early in 2010 - that is, until Putin opened his mouth on Dec. 29 while on a visit to Vladivostok. Asked by a journalist to name the biggest obstacle to reaching agreement on the arms control treaty, Putin responded, "The problem is that our American partners are building an anti-missile shield and we are not building one."

This wasn't the first time that Putin has tried to throw a monkey wrench into Medvedev's efforts to finalize major agreements. During the St. Petersburg economic forum in June, where Medvedev was the main feature, the talk among Russian officials and international visitors was about Russia's imminent membership in the WTO. Until that time, Russia remained the largest economy outside of the organization. But after extensive negotiations, U.S. Trade Representative Ron Kirk and other trade officials present in St. Petersburg were speaking more positively than ever about Russia being on the verge of ending its exclusion from the WTO.

But then within days after we heard these optimistic statements, Putin pulled the rug out from under Medvedev by announcing that Russia would seek membership in the WTO only in union with Kazakhstan and Belarus. Putin's announcement came as a complete surprise to everyone, including those in his own government, and derailed a deal that finally had seemed to be within reach of Russia after many years of trying. Moreover, Putin had the temerity to blame the United States for blocking Russia's WTO membership when he himself is responsible.

Depriving Medvedev of victories seems to have become an objective for Putin. This is a reflection of Putin's deep sense of insecurity and manifests itself when he competes with Medvedev for global attention and glory. During his eight years as president, Putin failed to achieve membership in the WTO, while it appeared that Medvedev was close to reaching that goal at the start of his second year in office. Similarly, signing an arms control agreement with

the United States would have marked another accomplishment for Medvedev and an early milestone in the "reset" in U.S.-Russian relations. It seemed that Putin feared that Medvedev could show him up in one of the most important areas in global affairs - nuclear disarmament and nonproliferation.

Beyond raining on Medvedev's parade, Putin also seems intent on maintaining hardline positions on issues of importance to the United States, including sanctions against Iran. In contrast to Medvedev's seemingly open position on sanctions, Putin has repeatedly made clear his opposition to getting tougher with the Iranian regime. Is Putin weighing in on the hopes of exacting last-minute compromises from the United States, assuming that Obama is desperate to get an agreement signed and might be willing to make key concessions to Russia? Perhaps Putin is intent on blocking the reset in bilateral relations because he needs to maintain the image of the United States as a "threat" to Russia to justify his autocratic vertical power structure.

Whatever the explanation, the U.S. State Department responded correctly to Putin's year-end salvo in Vladivostok by flatly rejecting a link between post-START negotiations and missile defense. Maintaining a firm stand against provocations and bullying from Putin is exactly the right response. At the same time, the Obama administration should resist getting drawn into a corner in which it is forced to make a choice between Medvedev and Putin as "most-favored negotiating partner." It would be a mistake to assume that Medvedev would be more amenable than Putin to improving relations. Obama already made that mistake last summer when, on the eve of the summit with Medvedev, he made a sharp remark that Putin has "one foot in the old [Cold War] ways of doing business."

For the reset in U.S.-Russian relations to succeed, both Moscow and Washington must show interest in working together. Medvedev might be interested in this, but from all appearances Putin - the real power in the Kremlin - is not.

David J. Kramer is a senior trans-Atlantic fellow with the German Marshall Fund of the United States. He served as a deputy assistant secretary of state responsible for Russia, Ukraine, Belarus and Moldova during the administration of former U.S. President George W. Bush. The views expressed by the author are his own.

#17

Long Pipelines Make Bad Neighbors

Why Russia is feuding with Belarus and what it means for Europe's security.

By Jeffrey Mankoff

ForeignPolicy.com, January 12, 2010

Almost exactly a year after a payment dispute with Ukraine led Russia to cut off gas deliveries to its European customers in a misguided attempt to force Kiev to pay up, a similar dispute between Russia and Belarus threatens to disrupt deliveries of Russian oil to Europe. As with the Moscow-Kiev "gas war" in January 2009, which left vast swaths of central and southern Europe without gas, the dispute with Belarus is only in part about money. It is also a reflection of the changing relationship between Russia and its one-time partners in the former Soviet Union, many of which are seeking to escape their political and economic dependence on Russia. And the implications could be serious – not just for Russia, Belarus, and its neighbors, but also for the balance of power in Europe generally.

The Russia-Belarus dispute became public just after the new year, with the Dec. 31 expiration of an existing contract for deliveries of Russian oil to Belarus through the so-called Druzhba (Friendship) pipeline.

Under the terms of the contract, Belarus did not pay customs duty on oil imported from Russia. Minsk did not use all of these oil imports domestically, however, sending much of it on to Europe and keeping the customs receipts, despite participating in a customs union with Russia. The profits from reselling Russian oil have long been an important source of hard currency for the authoritarian government of President Aleksandr Lukashenko, making up around a third of Belarus's export revenue.

In 2001, Belarus unilaterally canceled a contract that mandated the sharing of these revenues, leading to substantial losses for Russian pipeline monopoly Transneft and the Russian state budget. Now, Transneft is demanding that Belarus pay full import duties for the portion of Russian oil that it resells on the European market, a demand that could cost Belarus as much as \$5 billion per year. The Belarusian government argues that the Russia-

Belarus customs union obviates the need for Minsk to pay duty on imports from Russia. Although deliveries through the Druzhba pipeline have not, as of mid-January, been cut off, the prospect that Transneft (whose chairman is Russian Deputy Prime Minister Igor Sechin, a close confidant of Prime Minister Vladimir Putin) will turn off the taps to force compliance from Minsk is clearly one that has European leaders worried because the European Union imports about a third of its oil from Russia, mostly via Belarus. Already, the prospect of supply disruptions has driven U.S. crude oil prices to a 15-month high, presumably to Moscow's delight.

Long Moscow's closest ally among the post-Soviet states, Belarus in recent years has increasingly become a headache for the Kremlin. Along with the Russia-Kazakhstan-Belarus customs union, Minsk and Moscow are joined in the so-called Russia-Belarus "union state," a kind of halfway house on the way to political integration. Yet like Ukraine before it, Belarus has become wary of being overly dependent on Russia and has sought more room to maneuver internationally, particularly after the August 2008 war in Georgia. Like other post-Soviet leaders, Lukashenko is worried about the precedent of Russian troops intervening in a region that Russian President Dmitry Medvedev referred to as Russia's "zone of privileged interests."

Lukashenko's sudden yen for independence is largely due to Moscow's clumsy attempts to pull Belarus closer. Following the Russia-Georgia war, Moscow put enormous pressure on Belarus to recognize the breakaway republics of South Ossetia and Abkhazia. But, like his counterparts elsewhere in the former Soviet Union, Lukashenko held out. Offering a carrot, Russian Finance Minister Aleksei Kudrin announced last February that Moscow would lend Minsk \$2 billion to help prop up the tottering Belarusian economy. Then, Russia instituted a boycott of Belarusian milk products in June in an attempt to pressure Minsk to fall into line. In response to the mounting financial crisis, Russia first delayed and then canceled altogether the final \$500 million tranche of this loan. In response to the milk boycott and Russia's vacillation with the promised loan, Lukashenko boycotted a June summit of the Collective Security Treaty Organization -- a Russian-led NATO alternative for post-Soviet states -- and openly expressed reservations over Russia's plans to establish a joint rapid reaction force under the organization's auspices.

Even more alarmingly from Russia's perspective, Lukashenko announced that Belarus was interested in participating in the European Union's Eastern Partnership, designed to craft free trade deals, looser visa rules, and strategic partnership agreements with a number of post-Soviet countries in Eastern Europe and the South Caucasus. The European Union reciprocated Lukashenko's interest in warmer relations in part to keep the Belarusians from recognizing the breakaway republics and in part because Lukashenko's sudden interest in rapprochement appeared to offer an opportunity to press for domestic liberalization in a country sometimes called "Europe's last dictatorship." Despite its concrete focus on visa and trade issues, the Eastern Partnership is officially described as an attempt to promote adherence to "shared values including democracy, the rule of law, and respect for human rights" among the post-Soviet states along Europe's borders. For Russia, which increasingly sees the promotion of liberal values as a means of strengthening the West's influence vis-?-vis Moscow, the Eastern Partnership appears to be a transparent attempt to intrude on the Russian "zone of privileged influence."

The whole problem comes back to the subsidized energy prices Russia allows its former dependents as a dual system of patronage and control. The subsidies have created perverse incentives in recipient countries, which, like Belarus, have been able to resell Russian energy on their domestic markets at depressed prices, discouraging efficiency and propping up uncompetitive Soviet-era industries. At the same time, subsidized energy supplies have been a major source of corruption because the resale of Russian oil and gas abroad at world prices provides a major source of income for political insiders in Ukraine, Belarus, and other recipient countries.

The threat of withdrawing the subsidies is also one of Russia's largest bargaining chips in the region. During an earlier payment dispute with Minsk over gas, Moscow moved aggressively to seize a share in Belarus's gas pipeline network in exchange for maintaining (reduced) price subsidies. As part of Russia's strategy for exerting pressure on Belarus at the time, Transneft decided to cut oil deliveries through the Druzhba pipeline. Given Belarus's sclerotic economy and pre-2008 estrangement from Europe, Moscow knew that Lukashenko had little choice but to agree to its demands. The Kremlin has similarly sought to take advantage of Ukraine's energy debts to gain control over the Ukrainian distribution network, a move that Kiev has thus far resisted.

Since Putin became president of Russia in 2000, the Kremlin has applied these subsidies selectively. Particularly between 2005 and 2008, when global oil prices were rising rapidly, Moscow pressed its neighbors to pay market

prices for their energy deliveries, especially neighbors that were becoming foreign-policy headaches. In part, this development was a positive one. It was in line with International Monetary Fund demands that energy transactions take place at market rates and, if fully implemented, would have created real incentives for purchasers to reduce their profligate energy consumption. It would also place relations between Russia and its neighbors on a more predictable, market-oriented basis.

But though moving to market rates for energy makes sense in theory, put in practice by the Putin regime it has only contributed to uncertainty among the European states that purchase most of Russia's energy. Market rates have been introduced for different post-Soviet states at different times, depending in large part on the purchaser's relationship with Moscow. For Belarus, loyalty has long translated into some of the lowest energy prices of any Russian neighbor, even as Russian gas monopoly Gazprom and Transneft have ratcheted up prices on Ukraine and other states that have sought to leave the Russian orbit. With Belarus increasingly aware that its dependence on Russia has left it isolated and vulnerable, it too is finding that foreign-policy flexibility comes with a price.

Moscow's long-term goal is to take control of energy distribution infrastructure throughout the former Soviet Union. This aim is clearly stated in Russia's energy policy, and the previous round in the dispute between Belarus and Transneft—which also sparked a brief cutoff of Russian oil supplies—was ended in part by an agreement for the Russian pipeline monopoly to take a 50 percent stake in Belarusian pipeline operator Beltransgaz. Gazprom has exerted similar pressure on Ukraine over Kiev's outstanding debts. If Moscow were to succeed in completely taking over the Belarusian energy distribution network, it would not only be in a stronger position to influence Minsk's foreign policy, but the move would also improve Moscow's market power, and hence its political leverage, vis-à-vis Europe. Uncertainty about deliveries through Belarus could also lead to higher global oil prices, just as Western economies are beginning to emerge from the recession. That in and of itself should be reason enough for the Europeans – and their U.S. allies – to pay close attention to a seemingly obscure customs dispute.

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#18
Duma Moves to Support Nonprofits
By Natalya Krainova
Moscow Times, January 14, 2010

The State Duma on Wednesday gave preliminary approval to a Kremlin-backed bill aimed at providing state support to socially oriented nonprofit organizations.

Communist deputies opposed the bill, warning that it would breed corruption, but two anti-corruption researchers said the legislation was sorely needed.

The bill was supported in a first reading by United Russia, A Just Russia and the Liberal Democratic Party, while the Communist Party voted against it, United Russia said on its web site.

The bill, posted on the Duma's web site, defines a nonprofit organization as socially oriented if its activities are directed at "solving social problems" and "developing civil society" and if it is not state-owned, not a political party and not a religious organization.

The bill grants socially oriented nonprofit organizations the right to qualify for support from federal or local authorities in the form of money, property, tax breaks, information, consultations or education. The nonprofit groups could also accept contracts from state and municipal officials. Companies that provide financial support to the nonprofit organizations also would qualify for tax breaks under the bill.

United Russia Deputy Oleg Morozov touted the bill as a step toward "solving social problems that the state simply has no time for" and said it would boost the role of nonprofit organizations in society, according to a statement on United Russia's web site.

But Ivan Melnikov, a senior Communist official, said the bill would "create new loopholes for corruption" and called for it to be rewritten. He said in a statement that the bill also needed to be redrafted "to prevent the distinction of nongovernmental organizations as 'good' or 'bad' according to criteria that is clearly subjective."

However, two anti-corruption experts with nonprofit organizations praised the bill and its broad definition of socially oriented groups. Kirill Kabanov, chairman of the National Anti-Corruption Committee, said corruption is always possible in Russia but the bill's definition "mustn't be narrowed because it could deprive support from organizations that really work."

"A narrower definition could breed corruption because everybody would strive to get on the list," said Yelena Panfilova, head of Transparency International's Moscow office.

While A Just Russia backed the bill, faction head Nikolai Levichev cautioned in a statement that the Duma had to make sure that it "contains as few loopholes as possible for local bureaucrats to make a selfish profit."

Meanwhile, Duma Speaker Boris Gryzlov said deputies would give priority during the spring session, which opened Wednesday, to Kremlin-backed bills aimed at improving the country's judicial system and the quality of state and municipal services and of medicine sold in drugstores, the Duma's web site reported. He said another priority bill will extend the period of time during which people can privatize their apartments free of charge.

The Duma plans to pass more than 550 bills during the spring session, Gryzlov said.

#19

Was That A Pistol In Misha's Pocket?

By Daisy Sindelar

RFE/RL, January 12, 2010

U.S. Senator John McCain is a much-beloved man in Georgia. The former presidential candidate was an active lobbyist for Georgia's NATO bid, and strongly supported the country during its August 2008 war with Russia.

So when McCain visited Georgia this week, Georgian President Mikheil Saakashvili needed a special way to express his appreciation – something even more special than the Order of the National Hero of Georgia, the country's highest state honor, which McCain accepted on January 11 in a pomp-filled ceremony in the Black Sea city of Batumi.

So he gave him a gun. And not just any gun – a pistol that he claimed had once belonged to an American pilot captured by Soviet troops in Vietnam. The gesture was meant as a tribute to McCain, a former navy pilot who spent six brutal years as a prisoner of war in North Vietnam.

How exactly did a U.S. military-issue pistol from the Vietnam war come to be in Saakashvili's possession?

The Georgian president explained it all began with the Russia-Georgia war, when one of the Russian generals, "as is their habit," started a side business selling off military gasoline to a local horde of Georgian businessmen in the city of Gori.

"This actually bought us some time," Saakashvili said with barely disguised mirth. "The Russians were so passionate about selling the gasoline that they forgot to leave enough for themselves."

One day, Saakashvili recounted, the Russian general sadly informed his Georgian customers that he could no longer sell any gasoline, as he had just received orders to move on Tbilisi, and needed fuel to do so.

Reluctant to give up sales altogether, the general instead offered up a pistol which he said he had claimed as booty from an American pilot taken prisoner by Soviet soldiers during the Vietnam War – a pilot, one imagines, very much like McCain.

Apparently untroubled by questions of how and why a Russian general came to be carrying a U.S. pistol plundered 40 years earlier, an unnamed Georgian businessman happily purchased the gun and passed it to local administrators, who gave it to Saakashvili.

"I cannot be sure which pilot owned this pistol," the Georgian president reasonably acknowledged, before going all circuitous: "But this weapon can still shoot. And these people" – Russians – "are still shooting at us. But I am giving this pistol back to this American hero, John McCain."

McCain, nonplussed but smiling, took the pistol out of its holster and held it up to applause from the crowd.

"Of all the honors I've received in my life, the National Hero Award is among the most meaningful and it is one that I would cherish forever," the senator said later. No comment on the pistol, though.

#20

Orange Revolution's Fate Hangs In Eastern Ukraine

By Gregory Feifer

RFE/RL, January 14, 2010

YENAKIEVO, Ukraine – In this gritty town in eastern Ukraine, a small, derelict-looking brick cottage with a corrugated metal roof stands at the end of a snow-covered dirt track lined by bigger, wooden village houses. Barking dogs make the only sound here.

This is where Viktor Yanukovich lived a hardscrabble existence as a boy. Today, the 59-year-old politician is leading the polls ahead of Ukraine's presidential election on January 17 – something former neighbor Alla Korotkaya says makes people here proud.

"He loved his teachers and parents," she says. "Those are good traits. He read books and respected the church. That's a good thing."

The future of Ukraine may hinge on the decision of voters like Korotkaya here in the industrial, largely Russian-speaking Donetsk region, where residents overwhelmingly support pro-Moscow Yanukovich. But in a country split between its east and west – a division that brought thunderous change during the country's 2004 Orange Revolution – issues are increasingly uniting both sides.

This is Ukraine's industrial heartland, in the Donbas coal basin. It's been walloped by the credit crunch and plummeting global metals prices brought on by the global financial crisis.

Although Korotkaya echoes general opinion here, after the microphone is turned off, some say Yanukovich's upbringing in a poor part of town, apart from the center, contributed to his troubled youth.

Jail Time

As a young man, Yanukovich served two jail terms for assault and robbery before becoming an electrician. He went on to climb the ranks of the Communist Party bureaucracy and twice served as regional governor before becoming Ukraine's prime minister in 2004.

That's when the Orange Revolution drove him from power after street demonstrations over his victory in a rigged presidential election. Heavysset and prone to gaffes – he routinely confuses Austria and Australia, and famously misspelled the word "professor" on an election application – Yanukovich briefly returned to power as prime minister in 2006.

Workers used to get 100 rubles a month, and they knew they could buy 100 kilograms of sugar with that. Now they get a thousand, which will buy you almost nothing

Now residents of Yenakievo hope if Yanukovych wins, he'll help their depressed town.

At a street market in the center of town, a loudspeaker announces advertisements as residents shuffle through slush and mud, avoiding the cars navigating potholed roads. Set amid fields and woods, central Yenakievo is a grim collection of old concrete-block apartment buildings, long stained dark grey. At one end hulks a massive Soviet-era metals factory belching smoke into the foggy air.

Oleksiy Kosach worked in Yenakievo's metals plant 48 years before being laid off last year. The weather-beaten 70-year-old says the Orange Revolution and the man it brought to power – pro-Western President Viktor Yushchenko – have done nothing for Ukraine.

"Just like the collapse of communism in 1991 did nothing for Ukraine," he says. "Workers used to get 100 rubles a month, and they knew they could buy 100 kilograms of sugar with that. Now they get a thousand, which will buy you almost nothing."

Like many here, Kosach says he's just able to survive on his pension and doing odd jobs. He supports Yanukovych's promise to improve ties with Russia and criticizes Yushchenko's drive to promote Ukrainian language. That's seen as a prerogative of western Ukraine, which became part of the Soviet Union only during World War II, and supports the leaders of the Orange Revolution.

But despite the cultural differences between east and west, there are growing signs Ukraine's two halves are increasingly united by common concerns.

The main issue for Kosach and the vast majority across Ukraine is jobs. Yanukovych's closest rival, Prime Minister and Orange Revolution heroine Yulia Tymoshenko, has been campaigning hard in eastern Ukraine, and is hoping she'll win enough votes here to beat Yanukovych in a second round of voting next month. (A new poll by Russia's VTsIOM survey group shows a third candidate, former Yanukovych campaign manager Serhiy Tihipko, edging slightly ahead of Tymoshenko.)

Alla Korotkaya, a former neighbor of frontrunner Yanukovych

Still, Kosach speaks for many here saying he'll vote for Yanukovych because he's "our guy," even though he doesn't believe the election will do anything to improve his life.

"I'm not expecting anything good from the election," he says. "Whoever comes to power, they're all the same. They don't care about us, only themselves."

Many Ukrainians say politics are inseparable from business, and that both are corrupt. Yanukovych's most important backer, tycoon Rinat Akhmetov, is Ukraine's richest man. He owns the metals plant here, which he runs from his base nearby in the city of Donetsk.

Boom Town

Forty minutes away from Yenakievo by car, Donetsk is considered the capital of the Donbas region. If you parachuted here, you'd be forgiven for thinking you'd landed in a provincial Russian city. Almost completely destroyed during World War II, most of its buildings went up under the Soviet Union.

A scattering of shiny new office and hotel buildings are the products of Ukraine's short-lived post-Orange Revolution economic boom, brought to a screeching halt by the financial crisis. Akhmetov owns many of the new structures. He's made himself popular for one of them: a world-class football stadium that opened last year ahead of the Euro 2012 competition that Ukraine will co-host with Poland. It's the one landmark residents insist visitors must see.

Inside the headquarters of Yanukovych's Party of Regions, office workers are preparing for the election. The head of Yanukovych's campaign, Oleksandr Kasnyanyuk, himself acknowledges the near impossibility of separating business and politics. He says that's because Ukraine is still in the process of developing both its democracy and its economy.

"The state is still set up in a way that if you don't protect yourself politically," he says, "you may not be able to protect your business."

Critics say that "protection" includes officials channeling state funds to their parties and running smear campaigns against rivals on media owned by their business backers, something they accuse all sides of committing.

Kasyanyuk shows a leaflet showing Yanukovich in an unflattering pose he says was printed by the Tymoshenko campaign. Tymoshenko on January 13 accused Yanukovich of preparing massive vote fraud in the Donetsk region. Yanukovich shrugged off the accusations.

Tymoshenko's campaign organizers in Donetsk praise the Orange Revolution for bringing democracy and free speech to all of Ukraine, including the east. During the Orange Revolution, a protest here mustered only 150 people, who were dispersed and beaten by police. Tymoshenko's campaigners say that can't happen now.

Donetsk's new soccer stadium

Newspaper editor Serhiy Furmanyuk was a key opposition voice in 2004. He says Akhmetov and other business leaders here relied on criminal groups to maintain control and suppress competition.

"They're all still there," he says. "The criminals may no longer act so openly; in the past five years, people may have stopped sensing that they're returning to power. But all their old habits remain."

Furmanyuk criticizes Tymoshenko and Yushchenko for failing to reform a corrupt justice system and support civil society while they had the chance, instead of bogging down in the political infighting that has characterized much of the past five years in Ukraine.

Furmanyuk, for one, believes Tymoshenko's accusations that Yanukovich will rely on his support here to carry out electoral fraud. If either Tymoshenko or Yanukovich fails to accept the election's results, a standoff may prompt another political crisis.

Furmanyuk says the election is crucial for Ukraine's future. He predicts more mass street protests, only much uglier than in 2004.

"The first Orange Revolution was optimistic," he says. "Those who witnessed it were lucky; they saw how wonderful humanity can be. But as they say, a tragedy repeated twice is a farce. The second time won't be a protest of belief, but a show of force."

This time, Furmanyuk says, Tymoshenko and Yanukovich will fight each other "to the end."

#21

Moscow Prepares for Better Kiev Ties

By Nabi Abdullaev

Moscow Times, January 15, 2010

Moscow is so confident that relations with Ukraine will improve after a weekend presidential election that it won't wait for an expected runoff in three weeks to fill its long-vacant ambassadorship in Kiev. Ties sank to new lows in August when President Dmitry Medvedev announced that he would not send the newly appointed ambassador, Mikhail Zurabov, to Ukraine while President Viktor Yushchenko remained in office.

Now Yushchenko, whose pro-Ukrainian and pro-Western rhetoric repeatedly infuriated Moscow over the past five years, is all but certain to be voted out of office in the election Sunday.

The Kremlin has avoided offering blatant support to any of the 18 candidates in the election but made no secret that it hopes that front-runner Viktor Yanukovich wins an expected runoff with Prime Minister Yulia Tymoshenko on Feb. 7.

Convinced that Russia is on the cusp of improved relations with Ukraine, the Kremlin will move to restore full diplomatic ties by dispatching Zurabov to its embassy in Kiev within a few days, Vladimir Likhachyov, deputy chairman of Federation Council's International Affairs Committee, told The Moscow Times.

He said he had spoken with Zurabov about the issue recently.

Likhachyov said Yanukovich and Tymoshenko would make Ukraine more politically stable and pragmatic than it is now, and this in turn would be in Russia's interests.

"Viktor Yushchenko, the incumbent president, has been playing up every contradictory issue involving Russia in order to gain support from the West, only to shatter Ukraine's statehood and create an explosive social situation there," Likhachyov said.

But he and State Duma Deputy Speaker Alexander Babakov, who oversees the Duma's ties with Ukraine, stressed in interviews with The Moscow Times that Moscow would not interfere in the election.

Medvedev also said last month that Ukraine's election was an internal matter. "Russia does not have and cannot have its own candidate in the presidential election in Ukraine because this is an independent country whose leader can only be elected by its citizens," he said.

Medvedev's comments are in sharp contrast to Ukraine's presidential election five years ago, when the Kremlin strongly supported Yanukovich and even congratulated him on his victory in a fraudulent vote that was later overturned.

But Moscow still has its preferences in Sunday's election. In early December, Prime Minister Vladimir Putin said in a televised call-in show that he did not support Tymoshenko's candidacy and noted that United Russia, which he heads, has long cooperated with the Party of Regions, headed by Yanukovich.

A senior Russian official, speaking on condition of anonymity because of the sensitivity of the issue, said there was a consensus in Moscow that Yanukovich would suit Russia's interests best as president.

"Tymoshenko has a rich history of betraying partners and forgetting promises," the official said, reiterating a common and well-known complaint from Russian officials about the temperamental Ukrainian prime minister.

The official said Tymoshenko caters to Ukrainian nationalists and cosmopolitan businesspeople, while Yanukovich has the support of Ukraine's millions of Russian-speaking, largely low-income working class.

Yanukovich has repeatedly said Ukraine would remain a neutral country under his watch, leading Russian decision makers to believe that Ukraine's inevitable integration with Europe - a priority announced by all of the presidential candidates - would not be made at the expense of Russia's national interests, which include the security of its western borders and energy transit to Europe.

But Yanukovich might not prove to be an easy partner for Moscow. As prime minister in 2006, he took a tough stance in negotiating gas prices with Russia and spoke against entering a customs union with Moscow.

The Kremlin, however, can be confident that Yanukovich would not lavish praise on Ukrainians who collaborated with the Nazis during World War II, restrict the Russian language, and attempt to edge out the Russian Orthodox Church - measures taken by Yushchenko that have irritated the Kremlin, said Kirill Frolov, a political analyst with the Institute of CIS Countries, a Kremlin-leaning think tank.

Yushchenko has labeled rival presidential candidates as "Kremlin projects" and called the election "a national referendum about Ukraine's European future."

According to several polls taken this week, including one by Russia's VTsIOM, Yanukovich will collect more than 30 percent of the vote Sunday, while Tymoshenko will get 15 percent to 20 percent. Yushchenko is supported by slightly more than 3 percent of the electorate.

During Yushchenko's presidency, Moscow and Kiev waged two wars over gas prices that saw Moscow cut supplies to Ukraine, leading to disruptions to Europe. Western diplomats initially accused Russia of resorting to energy blackmail and, growing weary of the continued bickering, privately wished a plague on both countries.

Yushchenko's foreign policies that irritated Moscow most included his attempts to join NATO and to kick the Russian Black Sea Fleet out of its base in Sevastopol, which Russia rents under a lease that expires in 2017.

Moscow has also accused Yushchenko of driving a wedge between the Russian and Ukrainian peoples by trying to forge a new Ukrainian national identity through restrictions on the official use of the Russian language and support for the independent Ukrainian Orthodox Church in its bid to take over parishes, many of which answer to the Moscow Patriarchate.

Putin and Medvedev have denounced Yushchenko for praising Ukrainian nationalists who collaborated with the Nazis and portraying a 1930s famine in Ukraine as genocide.

Medvedev offered a wish list for Ukraine's next president during his televised New Year's Eve address, saying he hoped "for no insults to the Russian language, for mutual relations and joint economic projects to develop, and for no strange desire to join a foreign military bloc that will make a great number of people nervous in one way or another."

Yanukovych has said he would not try to bring Ukraine into NATO.