

## Business and Politics in the Muslim World

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### **Summary:**

#### **Political:**

#### **Russia helped fuel unrest in Kyrgyzstan**

Less than a month before the violent protests that toppled the government of Kyrgyzstan last week, Russian television stations broadcast scathing reports portraying President

Kurmanbek Bakiyev as a repugnant dictator whose family was stealing billions of dollars from this impoverished nation.

### **FURY AS RUSSIA SELLS ITS MISSILE SYSTEM TO IRAN**

News of the multi-billion pound deal with Moscow has caused fury and fear among Western powers as they desperately try to stop the country developing nuclear weapons. An intelligence source told The Mirror: "In the game of bluff and counter-bluff this is bad news for Israel and the West.

### **ussian president departs on American tour**

Russian President Dmitry Medvedev will depart on Monday on a five-day visit to North and South America to attend two international summits and discuss bilateral ties with Argentina.

### **Republicans Pose Test for Treaty With Russia**

The effort to ratify the so-called New Start treaty he signed here will test whether there is still any truth in the old proposition that politics stops at the water's edge. And it will test whether the president can truly forge a bipartisan consensus after governing almost entirely through one party.

### **Polish Ties Face Test After Plane Crash**

Russia's uneasy ties with Poland face a test after Polish President Lech Kaczynski, his wife and dozens of other senior Polish officials died in a weekend plane crash tentatively blamed on fog and pilot error.

### **Nuclear balance of terror must end**

Today, President Obama and Russian President Dmitri Medvedev signed a treaty fixing a ceiling for each country of 1,550 nuclear warheads and 700 deployed nuclear delivery vehicles. The new limits are about a third lower than the previous ones negotiated by George W. Bush in the 2002 Moscow Treaty of 2,200 per side.

### **I am pleased with Russia's contribution to UN activities**

An interview with UN secretary General Ban Ki-Moon on visit to Moscow

### **Russia, US officially end negotiations on new START treaty**

Russian and U.S. delegations had the last plenary meeting on the new START treaty in Geneva on Friday.

### **Georgian TV foretold murder of Polish President by Russian KGB terrorists**

A half-an-hour-long film about an alleged Russian aggression against Georgia foretold the killing of Lech Kaczynski in an explosion of his presidential plane. The statement by the head of the international affairs committee of the Russian parliament, Kosachev, who talked about a plane crash near Smolensk, seems rather strange in this context.

### **Russia's Tough Stance On Iran Sanctions Kicks Off D.C. Nuclear Security Summit**

The 47-nation U.S. summit on nuclear security got off to a rocky start Monday when Russia indicated that it did not favor tough economic sanctions on Iran.

Russian President Dmitry Medvedev said, "I don't think on that topic we have a chance to achieve a consolidated opinion of the global community."

### **Russia, U.S. will each dispose of 34 metric tons of excess weapon-grade plutonium**

Russia and the U.S. will each dispose of 34 metric tons of excess weapon-grade plutonium, Russian Foreign Minister Sergei Lavrov said .

### **Dmitry Medvedev set to visit Argentina**

On April 14, Russian President Dmitry Medvedev is to pay an official visit to Argentina, the first Russian official visit since bilateral diplomatic relations were established 125 years ago, that is, in October 1885.

### **Democracy Was Disgraced in Russia during the 1990s**

What do such notions as law and order, stability and democracy mean for Russians today? Which of the values is more important for Russia today? Researchers determined that most Russians give first priority to order and the political and economic stability in the country.

### **Russia Today: Democrats are pushing the US towards war with Iran**

As for the notion of democracy, many Russians understand this word as freedom of speech, press and religion – 44%. Twenty-eight percent believe that democracy implies economic prosperity, lawfulness (21%), order and stability (19) and the electivity of authorities (18%).

### **Spanish prime minister to visit Moscow – Medvedev**

Medvedev and Zapatero met in Washington DC on the sidelines of the Nuclear Security Summit. Medvedev said he was glad to compare positions in bilateral issues and in Russia-EU relations with Spain.

### **US, Russia, Kazakhstan arranged Kyrgyz leader's flight: OSCE**

The United States, Russia and Kazakhstan worked together to allow Kyrgystan's ousted president to leave the country, the foreign minister of Kazakhstan, who currently chairs the OSCE, said Thursday.

### **Russia says stance on new Kyrgyz leadership to be performance-based**

Russian President Dmitry Medvedev said his decision to initiate full-scale relations with the new Kyrgyz leadership would take into account its social and economic capabilities, as well as its popular support.

### **What is meant by strategic arms: Protocol to the new Russian-U.S. START Treaty**

The new START (Strategic Arms Reduction Treaty) bilateral nuclear arms reduction treaty between Russia and the United States was signed by Presidents Dmitry Medvedev and Barack Obama on April 8, 2010 in Prague, the capital of the Czech Republic.

### **Russia closes last weapons-grade plutonium plant**

The move came after a pledge this week from Russian President Dmitry Medvedev at a 47-nation nuclear security summit in Washington. Plant bosses pressed the red "stop" button to commence decommissioning process at 0400, the official Russian news agency reported.

### **International terrorists from FSB Russia murdered Polish President with EMP**

The Romanian Global News was the only outlet of the Rumanian media which reported about the attack of international terrorists from the FSB Russia against the plane of the Polish President in Smolensk, in which the whole Polish elite had been exterminated. The Rumanian agency cites its sources in the security structures of the NATO. The report has not been officially confirmed yet, but increasing evidence testifies that the Russians really eliminated the leadership of Poland in the most brutal crime of this century.

### **Economic:**

#### **Putin Discusses \$6Bln Loan to Ukraine for Reactors**

Prime Minister Vladimir Putin said Saturday that Russia might lend \$5 billion to \$6 billion to Ukraine to construct two nuclear reactors, while promising to consider a new deal on gas supply prices. "We discussed cooperation on nuclear energy ... a possibility is to lend \$5 billion to \$6 billion to construct the third and fourth reactors for the Khmel'nitsky nuclear power station," Putin said after a meeting with his Ukrainian counterpart.

### **Innovation, by Order of the Kremlin**

Around the time that Apple Computer was making it big in California, Andrey Shtorkh was getting a first-hand look at the Soviet approach to high tech: he guarded the fence keeping scientists inside Sverdlovsk-45, one of the country's secret scientific cities, deep in the Ural Mountains.

### **Russia-EU gas cooperation time-tested – Medvedev**

As it is known, the gas pipeline will run along the Baltic Sea bed through economic zones of five countries – Russia, Finland, Sweden, Denmark and Germany. It will for the first time, and may be this is one of the main achievements, directly supply gas to Western Europe bypassing transit territories, Medvedev said at a special ceremony on Friday.

### **Russian, Ukrainian PMs to discuss cooperation in energy sector**

Russia Prime Minister's press secretary announced that Putin and Azarov held a conference call, during which they discussed trade and economic cooperation, specifically, cooperation in the energy sector.

### **Regulator expects April inflation to go down year-on-year**

Russia's Central Bank expects inflation to be lower in April 2010 compared to that in 2009. According to the bank's Chairman Sergei Ignatyev, this does not mean that the Bank of Russia would automatically decrease the discount rate. "I think this year's inflation will be lower than in 2009. We must think about the future inflation, as well as analyze the dynamics of changes in industrial production," Ignatyev stated.

### **Gazprom CEO cites options for gas supplies to Romania**

Romania may receive gas through the territory of Bulgaria. Meanwhile, Miller pointed out that Romania would not become a transit country.

### **Kyrgyzstan hopes to get more than \$150 million aid from Russia**

Russia should give Kyrgyzstan more than \$150 million aid, a first deputy prime minister in the interim government said on Monday following talks in Moscow.

### **Advertisers Prepare for Market Shakeup**

In December, the State Duma passed a bill that will prohibit nationwide television channels from signing contracts with sales houses whose market share exceeds 35 percent.

### **U.S. Poultry Producers Agree to Stop Using Chlorine**

U.S. producers agreed to stop using chlorine to treat poultry in order to resume supplies to Russia, Gennady Onishchenko, head of the Federal Consumer Protection Service, said Tuesday.

### **Korea Kicks Russia Out Of The BRICs**

Van Eck responds to popularity of small-caps in Brazil with a wider net of Latin American stocks while First Trust creates the BICK, an emerging markets play swapping Korea for Russia.

### **HP Execs Suspected of Illegal Payments**

Executives from U.S. computer giant Hewlett-Packard are suspected of paying million-dollar kickbacks to win a contract with the Prosecutor General's Office, German investigators said Thursday.

### **Plan to Join WTO With Customs Union Abandoned**

Russia may abandon its plans to join the World Trade Organization in a joint bid with Kazakhstan and Belarus, First Deputy Prime Minister Igor Shuvalov said Thursday, recanting a plan that many experts said was doomed from the start.

### **Social:**

#### **Widow Blows Self Up After 3 Rebels Die in Ingush Raid**

Three suspected Islamic insurgents blew themselves up as security forces stormed the private house where they were hiding in an Ingush village Friday, and the widow of one of them attacked investigators at the house later in the day, killing one police officer.

#### **CORRUPTION WATCH: Medvedev raises fight against graft to new level with national strategy**

The Kremlin took the growing campaign to tackle graft to a new level on Tuesday, April 6 by signing off on a draft of the long-awaited national strategy to combat corruption.

#### **Bash the bishop, not the Bible**

### **Columnist:**

In my entire sexual life, no one has ever shocked me in bed. That is, until the other night.

#### **Moscow's erotic theatre – where bodies talk**

Empire of Angels ([empireofangels.ru](http://empireofangels.ru)) performs about once a month at Art-Café Durov 6 Pavlovskaya Ul., 952 2064, m. Dobryninskaya/Serpukhovskaya, [www.art-durov.ru](http://www.art-durov.ru).

#### **Russian judge shot dead in Moscow**

Chuvashov heard the trial of the "White Wolves" skinhead group in Moscow City Court, sentencing nine gang members to up to 23 years in prison in February.

### **What I like about you: what keeps foreigners in Russia?**

Dalton represents a small but dedicated number of foreign "expats" who originally came to Russia on a "temporary basis," only to find themselves still slogging away years later.

Sam Gerrans is Director of International Projects in a strategic communications agency and has called Russia home for 13 years.

### **Adoption Flap Not Expected to Last Long**

A U.S. government delegation will arrive in Moscow next week to discuss rules for American parents who want to adopt Russian children, setting the stage for a resolution of a years-long irritant in U.S.-Russian relations.

### **Icelandic eruption not catastrophic - Russian scientist**

The eruption of a volcano on the Eyjafjallajokull Glacier in Iceland which began on Wednesday will not lead to an ecological catastrophe, a Russian scientist said.

### **Stalinist purge victims found in Russia's Far East to be reburied**

The bodies of victims of Stalinist purges found in a mass grave during the construction of a road near the Russian Far Eastern town of Vladivostok will be reburied, a Russian Orthodox Church spokesman said.

### **Drunk dialing**

Recently, my New Zealander Boyfriend angrily forbade me from calling him any more when I am drunk. For him, this is a Big Relationship Issue. It appears that I tend to the "histrionic" (my word, not his) when I am in that delicate condition. It sounds like an easy enough prohibition to obey, except for one small thing: I'm drunk too often in Moscow.

### **Detailed Report:**

#### **Political:**

#### **Russia helped fuel unrest in Kyrgyzstan**

The media campaign, along with punishing economic measures adopted by the Kremlin, played a critical role in fanning public anger against Bakiyev and bringing people into the

streets for the demonstrations that forced him to flee the capital Wednesday, according to protest leaders, local journalists and analysts.

"Even without [Russia](#), this would have happened sooner or later, but . . . I think the Russian factor was decisive," said Omurbek Tekebayev, a former opposition leader who is now the No. 2 figure in the government.

Russian Prime Minister Vladimir Putin has denied that Moscow played any role in the uprising, and leaders of the movement to oust Bakiyev insist they received only moral support. But the Kremlin had made no secret of its growing displeasure with Bakiyev, and over the past few months it steadily ratcheted up the pressure on his government while reaching out to the opposition.

The strategy was a sharp departure from Russia's traditional support for autocratic leaders in its neighborhood. It paid off quickly and dramatically, and it appears to have delivered the Kremlin a rare foreign policy victory.

Not only has Moscow served notice on other wayward autocrats in its back yard -- many of whom also govern Russian-speaking populations that watch Russian television -- it also appears to have gained a greater say over the future of the U.S. air base here, which is critical to supplying the NATO military surge in [Afghanistan](#).

Little more than a year ago, the Kremlin regarded Bakiyev as an ally, promising him more than \$2 billion in aid during a visit to Moscow at the height of the global economic crisis.

On the same trip, Bakiyev announced plans to close the U.S. air base, in what was widely seen as an exchange.

Four months later, after Russia had made good on \$415 million of its pledge, Bakiyev suddenly agreed to keep the air base open when Washington offered more than three times the original rent. Russian officials, including President Dmitry Medvedev, indicated at the time that they had blessed the decision, but it soon became clear that the Kremlin had been cheated -- and was furious.

"The Russians were upset and angry, not just because of the base but because of his attitude," Tekebayav said.

In November, Russian media reported that Putin upbraided the Kyrgyz prime minister at a summit, asking why the U.S. air base had not been closed and alleging that the Russian aid money had been stolen by Bakiyev's family. In February, Moscow postponed payment of the remaining \$1.7 billion of the package, with officials saying publicly that the first tranche had been misused.

## **FURY AS RUSSIA SELLS ITS MISSILE SYSTEM TO IRAN**

Iran is buying an ultra-sophisticated missile system from Russia to protect its nuclear sites.

The S-300's surface-to-air rockets can hit many targets at once, including in-coming cruise missiles, making any Western or Israeli strike on Iran much more difficult.

"The new missile system will hugely empower Tehran which already has a fairly inflated view of its military and defence capability.

"This has everyone worried -Israel because it knows the US is currently not up for attacking Tehran and the US because it knows Tehran has the upper hand."

The S-300, which Iran has been trying to buy since 2005, can hit a target at 100 miles and will be delivered to them within months.

It is a massive blow to Israeli defence chiefs who fear Iran's president Mahmoud Ahmadinejad, below, is building up a nuclear capability to attack them.

Pentagon chiefs have already written up a detailed plan to strike as many as 100 targets if they have to destroy Tehran's nuclear installations.

### **Russian president departs on American tour**

#### NUCLEAR SECURITY SUMMIT IN WASHINGTON

On the first leg of his tour, President Medvedev will attend a nuclear security summit in Washington on April 12-13.

[The two-day global conference on nuclear security](#) will focus on the vulnerability of stockpiles of nuclear materials and securing them against the threat of terrorist acquisition.

During the 47-nation summit, world leaders are expected to make concrete commitments to ensure that their national stocks of separated plutonium and enriched uranium are not at risk of being stolen, smuggled or sold to terrorists.

The U.S. summit comes after the [signing last week of a new strategic arms reduction treaty](#) by Medvedev and his U.S. counterpart Barack Obama in Prague.

#### FIRST OFFICIAL VISIT TO ARGENTINA

The Russian president will visit Argentina on April 14 for the first time in the history of diplomatic relations between the two countries.

In Argentina, Medvedev will meet with the country's president Cristina Fernandez de Kirchner and other top officials to discuss the development of bilateral relations in the sphere of energy and high-technology.

The sides are expected to issue a joint statement and sign a number of documents, including an intergovernmental agreement on cooperation in culture and education.

Trade between Russia and Argentina has risen fivefold since 2003, reaching almost \$2 billion in 2008, but fell to \$1.35 last year mainly due to the global financial crisis.

### BRIC SUMMIT IN BRAZIL

on April 15-16, the president will take part in the BRIC (Brazil, Russia, India and China) summit in the Brazilian capital Brasilia along with Brazilian President Lula da Silva, Indian Prime Minister Manmohan Singh and Chinese President Hu Jintao.

The meeting will focus on improving the current global economic situation and strengthening cooperation between the four countries.

The BRIC group is also expected to agree on a common stance for the G20 meeting in Washington, which will take place in late April.

The leaders will also discuss the outcome of the nuclear security summit in Washington and the new nuclear arms reduction treaty signed by the Russian and U.S. presidents in Prague.

The first BRIC summit was held in the Russian Urals town of Yekaterinburg in June, 2009. The leaders issued a declaration calling for the establishment of a multi-polar world order.

### **Republicans Pose Test for Treaty With Russia**

As [President Obama](#) headed home on Friday with a freshly inked arms control treaty in hand, he faced a new challenge that may be every bit as vexing as negotiating with Russians: making common cause with Republicans.

Because ratification requires a two-thirds vote by the Senate, Mr. Obama needs to persuade 67 senators, meaning at least eight Republicans. White House and Congressional officials as well as independent analysts said the president would start the process with the odds in his favor. But given the volatile political environment in Washington heading into a midterm election season, it is not hard to imagine situations where that changes.

Republicans have not settled on a critique, with some asking whether Mr. Obama gave away too much while others suggest the pact does very little. Even if they cannot muster 34 votes to stop the treaty, they could raise enough doubts about it to slow the process

past the deadline at the end of the year set by the White House, or they could attach conditions or statements that would anger the Russians and disrupt ratification.

“Under the treaty, [Russia](#) and the United States have reduced the number of warheads and verification procedures significantly,” [John McCain](#) and his fellow Republican senator from Arizona, [Jon Kyl](#), said in a [statement](#). “Both of these changes will have ramifications on our force structure and intelligence that we will need to evaluate.”

Mr. Obama was able to win his two most important legislative victories, the [stimulus package](#) last year and the health care program this year, entirely or almost entirely with Democratic votes. But he said here that he was “confident that we are going to be able to get it ratified,” despite Washington.

“I’m actually quite confident that Democrats and Republicans in the [United States Senate](#), having reviewed this, will see that the United States has preserved its core national security interests, that it is maintaining a safe and secure and effective nuclear deterrent, but that we are beginning to once again move forward, leaving the cold war behind, to address new challenges in new ways,” he said.

Mr. Obama starts with an ace in his pocket: the support of Senator [Richard G. Lugar](#) of Indiana, the senior Republican on the Foreign Relations Committee and one of the party’s most influential voices on national security. The president can also deploy prominent Republicans who support the treaty, including President [Ronald Reagan](#)’s former secretary of state, [George P. Shultz](#).

The pact requires each side within seven years to have no more than 1,550 strategic warheads and 700 launchers deployed, but because of counting rules and past reductions, neither side will have to cut large numbers of weapons. Senators will evaluate whether the new inspection and verification system is adequate, and Republicans will focus on any impact on missile defense.

The treaty does not restrict American plans to build an antimissile system in Europe, but it includes language that may cause concern. The preamble includes a phrase intended to mollify Russian objections by “recognizing the existence of the interrelationship between strategic offensive arms and strategic defensive arms,” a relationship that becomes “more important” as the two sides further reduce weapons.

While that language does not impose any limit on the American program, Russian officials have called it “binding,” prompting criticism in the United States. Moreover, Russian officials have noted the treaty provision allowing either side to withdraw from the pact with three months’ notice “if it decides that extraordinary events related to the subject matter of this treaty have jeopardized its supreme interests.” Some Republicans have said this means that Russia can veto later development of missile defense plans by threatening to back out of the treaty.

Moreover, the treaty includes a provision prohibiting either side from using ballistic missile launchers for missile defense interceptors or from using interceptor launchers for ballistic missiles. That restriction would not affect the current plans for an antimissile system in Europe because it would use smaller [SM-3 interceptors](#) that have nothing to do with existing ballistic missile launchers. But the provision could provoke Senate questions.

The administration has been consulting with key senators throughout the negotiations and kicked its ratification campaign into gear this week even as the president was in Prague. The White House assigned Brian McKeon, the deputy national security adviser to Vice President [Joseph R. Biden Jr.](#) and a former Congressional aide, to lead the ratification effort. And top advisers to the president held conference calls from Prague to brief Senate staff members back in Washington on the treaty.

To expedite the process, the administration has tried to finish all the various documents that typically accompany a treaty to the Senate. In addition to the 17-page treaty itself, the presidents signed a 165-page protocol that outlines definitions and verification procedures. Such protocols are often hashed out only after a treaty is signed. Still to be finished are three annexes, though the White House said they deal only with narrow issues and are expected to be completed within a week.

If so, the treaty could be sent to the Senate by early May. Of five arms treaties with Moscow approved in four decades, the Senate has taken from two months to three years to act. The Salt II treaty of 1979 was never voted on, and the Comprehensive Test Ban Treaty was rejected in 1999.

Aware of the potential for complications, Russian officials plan to time their ratification to match the Senate schedule. The Kremlin controls the Russian Parliament and could hold up ratification as leverage on the Senate.

Deputy Foreign Minister Sergei Ryabkov said Russia would not try “to take the treaty hostage,” but wanted to make sure the Senate acted. “If everything goes well,” he said, “we would definitely be over by the time of midterm elections in the U.S.”

### **Polish Ties Face Test After Plane Crash**

The Polish delegation was flying to Smolensk on Saturday to commemorate the 70th anniversary of a Soviet massacre of Polish officers in the nearby village of Katyn when its descending Tu-154 plane got caught on a tree and broke up.

Air controllers at the Severny military airport said the pilots ignored recommendations to land elsewhere, including in Minsk, because of the poor weather conditions and made three attempts to land before the disastrous approach. All 96 people on the plane died.

Russian leaders quickly offered support and sympathy. President [Dmitry Medvedev](#) ordered crash investigators to make sure that the Poles have complete access to all

information that they collect. Prime Minister [Vladimir Putin](#), who marked a reset of relations with Poland at a meeting with his Polish counterpart, [Donald Tusk](#), at Katyn just three days earlier, gave Tusk a comforting embrace at the crash site late Saturday that was beamed around the world. Putin is personally leading the crash investigation.

The Kremlin published Medvedev's condolences in Polish on its web site and declared a national day of mourning for Monday — a day when Russia usually celebrates [Yury Gagarin](#)'s feat of becoming the first man in space.

“Medvedev and Putin found the surprisingly right words for the Poles,” said Alexander Rahr, a Russia expert on the German Council for Foreign Relations. “To organize a day of mourning on a national holiday — not every country could have done that.”

Rahr suggested that relations might be damaged if the crash is blamed on something other than bad weather and a pilot error. Otherwise, they do not face much risk, he said.

Indeed, the joint investigation into the crash might draw the countries closer together, said Nikolai Zlobin, director for Russian and Asian programs at the World Security Institute in Washington.

“No matter if they want it or not, they will have to deal with this together,” he said. “It may become a basis for rebuilding mutual trust.”

Putin and Tusk took a major step toward bridging the gap between the countries when they attended the first Russian-Polish commemorations at the Katyn memorial on Wednesday. Putin had invited Tusk to the ceremony but pointedly excluded Kaczynski, who was a critic of Russia.

“It is an accursed place,” former Polish President Aleksander Kwasniewski told Poland's TVN24 after the crash. “It sends shivers down my spine. First the flower of the Second Polish Republic is murdered in the forests around Smolensk, now the intellectual elite of the Third Polish Republic die in this tragic plane crash when approaching Smolensk Airport.”

Stalin's secret security force, known by its acronym [NKVD](#), massacred 4,400 Polish officers and intellectuals in the forest near Katyn in the spring of 1940 after Soviet troops invaded Poland. In all, more than 20,000 Poles were killed in various parts of Russia.

“I am at loss for words. It is a disaster, the second after Katyn,” former President [Lech Walesa](#) said. “They wanted to cut off our head there, and here the flower of our nation has also perished. Regardless of the differences, the intellectual class of those on the plane was truly great.”

A total of 88 of the 96 people on Kaczynski's plane were members of the official Polish delegation, including the central bank chief, the head of the armed forces, the deputy

foreign minister, the head of the National Security Office and the deputy parliamentary speaker, the Polish Foreign Ministry said.

The body of Kaczynski was sent home to Warsaw on Sunday. The rest of the bodies were sent to Moscow, where relatives and Polish officials were arriving to identify them on Sunday.

The presidential plane, a 26-year-old Tu-154M, was fully overhauled in December, the head of the Aviakor aviation maintenance plant in Samara told Rossia-24 on Saturday. The plant repaired the plane's three engines, retrofitted electronic and navigation equipment and updated the interior, Alexei Gusev said. He said the plane was completely airworthy.

Investigative Committee chief [Alexander Bastrykin](#) told Putin on Sunday that a preliminary investigation suggested that the crash had not resulted from "technical problems with the plane."

Crash investigators began to decode the plane's flight recorders Sunday, the Transportation Ministry said.

On Saturday, the investigators had suggested three possible reasons for the crash: bad weather, pilot error or a problem with the aircraft.

Mourners, meanwhile, flocked to the Polish Embassy in Moscow on Sunday to lay flowers and express hope that the tragedy would bring Poland and Russia closer together.

"I'm sure that the accident is a chance to unite the peoples now," said Adam Kuzelewski, 42, a Polish citizen who has lived in Moscow for almost four years. "I know that the Poles feel very grateful to the Russian government for its actions."

The sidewalk outside the embassy was blanketed with flowers and lit candles. People prayed and hung black ribbons and poems on a fence.

Dozens of mourners stood in line to write a note in a book of condolences inside the embassy, which was dark, silent and filled with the scent of wax on Sunday afternoon. A large black-and-white portrait of the president and his wife stood on one side of the room where the book of condolences rested on a table.

"I was shocked. It all looks like fate. I can't recall any other tragedy of this kind involving a country leader," Sofia Statkevic, who moved to Moscow from Poland in the 1970s, said as she left the embassy.

"Russian-Polish relations were never easy, but now is the right time to stop [the fighting]," she said. "But fears remain that relations might be affected."

Mojto Rastislav, 31, a Slovak who came to lay flowers with his family, said he was impressed with the Russian response. "Relations between Russia and Poland have been complicated. But right now the Russian government has reacted well at the very top level," he said.

Natalya Belyayeva, a Russian book editor, predicted that relations would improve. "I visited Poland recently, and I realized how close our people are," Belyayeva said after laying flowers near the embassy.

### **Nuclear balance of terror must end**

Some are impressed. Now that the new treaty is signed, it will be against the law for a president to deploy 1,600 warheads -- unless he first withdraws from the treaty.

But a new "counting rule" undercuts the significance of [Obama](#) and [Medvedev's](#) achievement. Each bomber counts as only one warhead, even though each might be able to carry as many as 20 warheads.

America's premiere independent expert on the American [nuclear arsenal](#), Hans Kristensen, of the Federation of Atomic Scientists, said "The paradox is that with the "fake" bomber counting rule, the United States and Russia could, if they chose, deploy more strategic warheads under the New START Treaty by 2017 than would have been allowed by the Moscow Treaty by 2012."

On the other hand, almost all arms-control advocates acclaim the new inspection procedures, which lay a strong foundation for future treaties. The Moscow Treaty, by contrast, virtually did away with inspections. It seemed designed to cancel hopes for any future for arms control.

Debates about the size of the cuts are certainly worth having. But they distract from a glaring reality contained in the treaty that is more important and in many ways more surprising. The treaty does cut a few hundred warheads, but at the same time it sanctions and, so to speak, blesses, many more -- namely the 1,550 that are permitted.

This hard fact points to a startling truth: Every decade or so, Washington and Moscow sit down and jointly decide that they would like to go on holding one another hostage to mutual annihilation by nuclear arms. They ratify the balance of nuclear terror born in the Cold War.

Why?

During the Cold War, no one had to ask. The two superpowers were involved in a global confrontation.

But once the Cold War and the USSR ended, the arrangement became downright weird. Was there something in the wary U.S.-Russia friendship of the 1990s or the mild rivalry of the new century that warranted threats of mutual annihilation? The question is almost never asked. Certainly, it has never been adequately answered.

Does anyone in the United States want to be in the cross hairs of thousands of Russian nuclear weapons? Do we want to thus target Russians? Who would answer "yes" to either question?

The geopolitical revolution of 1989-1991 had no visible effect on the strategic precincts where the number of deaths in a nuclear war are reckoned. The two arsenals, and the arms control agreements that went with them, sailed on into the new era disconnected from political goals or realities. War, some say, is politics conducted by other means. But what is this?

True, each time the negotiating teams have met, the cuts have been substantial. At the height of the Cold War, the two countries jointly possessed some 70,000 warheads. Now we're down to some 20,000. (The difference from the 1,550 figure for each side is accounted for by warheads held in storage). Two cheers for that!

But the Cold War figures were so high that the United States and Russia could cut warheads by the hundred or by the thousand for decades and still be [capable of wiping each other out](#) many times over.

Consider the 1,550, for example. One hundred warheads used against the hundred largest cities of either country would spell the effectual end of that country. That means that the current figure leaves a factor of overkill of at least 15 -- and more if the thousands of stored warheads are counted.

The cut of a few hundred warheads is a success. But the survival, 20 years after the end of the Cold War, of the 1,550 that each country still points at the other is a gross failure that outweighs it by far.

*The opinions expressed in this commentary are solely those of Jonathan Schell*

### **I am pleased with Russia's contribution to UN activities**

#### *INTERVIEW WITH THE UN SECRETARY-GENERAL BAN KI-MOON ON THE EVE OF HIS VISIT TO MOSCOW*

Q. In September of 2009 at its previous meeting the Middle East

Quartet called for the early resumption of Israeli-Palestinian negotiations

and for a freeze on all settlement activities in the occupied

territories? How relevant remains this call now?

A: That call remains relevant today. Regarding continued settlement expansion in the occupied Palestinian territory, I call on Israel to adhere to international law and its obligations under the Road Map. At this crucial juncture, Israel should refrain from taking steps which have the potential to prejudice negotiations and create tensions. This is particularly important with respect to East Jerusalem, where settlement infrastructure is being expanded and consolidated while Palestinian residents are being subjected to evictions, demolitions and revocation of residency rights. A way should be found, through negotiations, for Jerusalem to emerge as the capital of two States, with arrangements for the holy sites acceptable to all.

Q. Recently you called for a new momentum in the search for a comprehensive, just and lasting peace in the Middle East. You also talked about fundamentally different approach that was required one year after the Gaza conflict to address the major humanitarian and reconstruction challenges still facing its people.

Please, elaborate on your ideas more. Are you going to push them at the Quartet Moscow meeting? What do you expect this meeting to achieve?

A: I certainly expect the Quartet meeting to provide an opportunity

to assess and encourage the earliest possible resumption of the proximity talks which will eventually, I hope, lead to direct negotiations between the parties. I urge all parties to respond positively to calls for a resumption of political talks, and then work concertedly for quick, meaningful results. Permanent status issues, including Jerusalem, borders, refugees, security, settlements and water will be resolved only through negotiations.

Q. To what extent and under what circumstances a Middle East conference suggested by Russia could have facilitated the peace process?

A: Such a conference could be helpful, and I look forward to hearing from the other Quartet principals their ideas for efforts that can help to facilitate the peace process.

Q. What are other issues except Middle East that you are going to raise with the leadership of the Russian Federation while you are in Moscow?

A: I expect to bring up all of the issues of mutual concern that we share with the Russian Federation. Among them, I have been underscoring with all Member States the need for progress in implementing the

Millennium Development Goals and dealing with climate change.

Q. How would you assess the current Russia's contribution to the UN activities? In which areas do you expect Moscow to do more?

A: I am certainly pleased with Russia's contribution to the vast spectrum of UN activities, and I look forward to talking to the country's leadership about how our long-standing cooperation can be strengthened even further. Russia has shown that it can play an important role in resolving conflicts peacefully as a permanent member of the Security Council.

It is clear that our peacekeeping operations require the kind of specialized assets that the Russian Federation can provide, so any contributions to UN peacekeeping by Russia would be greatly appreciated.

### **Russia, US officially end negotiations on new START treaty**

Presidents Dmitry Medvedev and Barack Obama signed the treaty in Prague on April 8.

"We are very proud of the breakthrough and the historic treaty our presidents signed yesterday," Russian delegation head and Director of the Foreign Ministry's Security and Disarmament Department Anatoly Antonov said. "We are also satisfied with the constructive atmosphere of the negotiations."

Russia and the United States have no disagreements over the new document, he said, adding that a team of proofreaders would be working in Geneva for the next five days.

U.S. delegation head, Assistant Secretary of the Secretary of State, Bureau of Verification, Compliance and Implementation, Rose Gottemoeller said that the negotiations were complete and proofreaders would verify the compliance of English and Russian texts.

The negotiations, which have been for eleven months, are over. The delegates have had ten rounds of consultations, including one in Moscow and nine in Geneva. The bilateral advisory commission will be seated in Geneva for promoting the fulfillment of the treaty and have no less than two sessions per year.

### **Georgian TV foretold murder of Polish President by Russian KGB terrorists**

The killing of the Polish President Lech Kaczynski in a plane crash organized by the KGB (FSB), was [reported](#) on March 13, 2010 by the Georgian TV channel Imedi.

In an interview with the Russian news agency Interfax, he said he was "in a state of shock and horror" over the news. "The soul trembles to think that Katyn has taken new victims", Kosachev said.

In 1940, more than 15,000 of Polish officers were executed in Katyn under the order of the Kremlin and Stalin personally. Until recently, Russia has been trying to deny its responsibility for the massacre. Moscow has not apologized so far for this Russian crime.

Moreover, Moscow tried to do everything possible to prevent the Polish President Lech Kaczynski to visit Katyn. Diplomatic scandals broke more than once on this occasion.

Some historical facts are interesting in this regard.

- On September 30, 1939, a Polish army general in London exile, Sikorski, became the prime minister of the Polish exile government (and remained on this post until the death in 1943).

After the discovery by the Germans mass graves of Polish officers in , who were killed by the Russians in a camp for war prisoners, Sikorski quarreled with Moscow. In April 1943, relations with the Polish government in exile were formally broken by Stalin's government after Sikorski demanded investigation into the Katyn massacre.

Sikorski charged the Soviet Union with a war crime and demanded that Churchill breaks relations with the USSR. A few weeks later, General Wladyslaw Sikorski and his daughter Sophia died in a plane crash on July 4, 1943, near Gibraltar.

In November 2008, his body was exhumed and tested by Polish experts to confirm that the Soviet secret police had been involved in his death.

We would like to mention thereupon that the Polish President Lech Kaczynski was one of the Polish leaders most hated by Moscow. Indeed, the Kremlin had reasons to hate Kaczynski. Here are some facts:

- The city council of Warsaw under the leadership of then-mayor of the Polish capital Kaczynski renamed one of the largest squares in Warsaw after the first Chechen President Dzhokhar Dudayev
- The Kaczynski's election campaign was based on slogans of national revival and historical responsibility of Russia for crimes against Poland.
- On Nov. 15, 2006, Kaczynski offered to the EU to impose sanctions against Russia if Moscow refuses to lift ban on the import of Polish meat and agricultural products.
- Poland vetoed talks on cooperation between the European Union and Russia, which were to begin at the EU-Russia summit on November 24.
- During the war in South Ossetia in August 2008, Kaczynski announced his full support for Georgia.
- After the Russian war against Georgia, Poland accepted the US proposal to deploy a missile defense system (interceptor missiles) on its territory.

- At Kaczynski's initiative Poland was going to free Europe from Russian gas dependence with an increased production of its own shale gas. In this case, Poland could become the largest European supplier of this type of fuel.

It is to be mentioned that Lech Kaczynski said that one of the goals of the Russian aggression against Georgia was an attempt to prevent Europe to get rid of the gas dependence from Moscow. Kaczynski has also actively lobbied for Georgia's joining the NATO.

Many ordinary people in the world doubt that the crash was accidental. In a guestbook of Polish Radio English Service a Belarus resident [writes](#):

*"The signs appear more and more worrying that the Russians were involved. From the Nazi-Russian pact and Katyn to the recent Russian and Belarusian war games near the Polish border, Russia has always considered Poland its own territory, lost in a time of weakness much as China threatens all over democratic Taiwan.*

*The difference is that Russia shows no compunction about murdering its citizens abroad and backing its threats with violence (vide Georgia) and economic measures (closing oil pipelines). A Russian plane recently "repaired" in a Russian factory? If it is simply a coincidence, through its actions Russia immediately comes under suspicion.*

*My condolences to our Polish allies who have always supported us since breaking free from Russian control".*

It is to be mentioned that according to the Russian media, "the Kaczynski's presidential plane was fully overhauled in December, the general director of the Aviakor aviation maintenance plant in Samara, Russia, told the Rossiya-24 TV. The plant repaired the plane's three engines, installed new electronic and navigation equipment and updated the interior", Alexei Gusev said.

In their turn, the Russian authorities actively promote the version of a "bad weather", which became the "cause of the accident". Moscow claims a dense fog covered the military airfield near Smolensk. The fog, for some reason, did not prevent eye-witnesses to see quite clearly the details of the aircraft flight.

"The plane tilted to the left before crashing, witness Slawomir Sliwinski told the state news channel Rossiya-24. He said there were two loud explosions when the aircraft hit the ground and burst into flames", [AP](#) reports.

Meanwhile, the Polish media does not exclude FSB's involvement in the crash. A possibility of a terror attack by the FSB is also being considered.

In particular, a Polish expert on the TV channel POLSAT called improbable the Russian explanation that the crash of the Polish plane was caused by bad weather, a pilot's error, etc.

Polish flags in Poland have been lowered to half-mast. Under the Poland's constitution, the leader of the lower house of Parliament, who is now the acting president, has 14 days to announce new elections to be held within 60 days.

According to the experts, there are some "strange aspects" in this tragedy. The Polish side asserts that 88 people flew from Poland, but the number of the dead amounted to 132 people, according to initial Russian reports.

All passengers died, as Russian media have reported an hour after the tragedy, although in similar accidents, 80 percent of passengers usually survive. The plane fell to earth only from the height of 15 meters. There were no fires, no fuel, but security was increased, etc. The plane could have landed on other airfield, but it didn't.

Polish media outlets seriously doubt the explanation from the Russian side that the plane was reportedly going to land in a fourth attempt. According to Russian media outlets, the press service of the Smolensk Region told that the airport air control allegedly offered the Polish pilot to land in Minsk, 200 km from Smolensk, but the pilot reportedly refused.

"Skilled pilots seldom decide to land the plane in a fourth attempt, usually, if the second attempt fails, pilots land in an alternate airport", said one of Polish pilots on Polish T`V, noting that the best pilots of the country fly the president's plane.

The Polish side noted that the tragedy of this magnitude and level occurred for the first time in the world. A large number of top officials of Poland died.

Ukrainian media outlets [do not exclude](#) that Kaczynski's plane was lured into a trap.

The reason remains unclear why the pilots of Tu-154 with top officials of the Republic of Poland on board decided to use for landing a poorly adapted military airfield "North" near the town of Pechersk in Smolensk Region, rather than to land at the airport of Smolensk, the Ukrainian RUpor agency reports.

The agency notes that the existence of a military airport on the territory of Russia is a state secret and without the intervention of the military department dispatcher civil service can not recommend landing to foreign government planes. Especially, since, as noted by the TV channel Russia 24, prior to this, the airport denied landing for a Russian military aircraft.

If an intervention of the General Staff of the Russian Armed Forces (and perhaps, actually the military intelligence GRU) is proved, it could be possible to speculate on the political component of the catastrophe.

Experts repeatedly mentioned a sharply increased role of the Russian military intelligence GRU after the Medvedev's rise to power.

### **Russia's Tough Stance On Iran Sanctions Kicks Off D.C. Nuclear Security Summit**

The 47-nation U.S. summit on nuclear security got off to a rocky start Monday when Russia indicated that it did not favor tough economic sanctions on Iran. Russian President Dmitry Medvedev said, "I don't think on that topic we have a chance to achieve a consolidated opinion of the global community."

That threatens a key goal of the two-day meeting in Washington, D.C. — to build support for a fourth round of U.N. sanctions on Iran.

Meanwhile, Iranian officials denounced the summit and said they would continue to push their nuclear program despite international condemnation. Western nations believe Tehran is seeking to develop nuclear weapons.

The meeting is the White House's highest-profile diplomatic effort yet. The goals include building international support for action against Iran and North Korea.

Also in focus is safeguarding unsecured uranium and other nuclear bomb-making materials to prevent them from falling into the hands of terrorists.

"We know that organizations like al-Qaida are in the process of trying to secure a nuclear weapon, a weapon of mass destruction that they have no compunction at using," President Obama told reporters.

### **No Rush From Russia**

The meeting follows the signing last week of a U.S.-Russia treaty to slash nuclear arms. The administration has touted the pact as proof that tensions between the countries have cooled.

But hopes that this would translate into Russian support for tough sanctions on Iran were put on hold Monday.

Instead, Medvedev told ABC News that sanctions "should not be paralyzing. They should not cause suffering." The interview was recorded Friday but not released until Monday.

Medvedev added that sanctions "should not lead to humanitarian catastrophe, where the whole Iranian community would start to hate the whole world."

Without strong economic sanctions it is hard to see how Iran could be induced to give up its nuclear program. Russian cooperation is key, given its status as a nuclear power, its regional prominence and its U.N. Security Council veto.

Russia has hinted at support for sanctions since the Obama administration last year abandoned plans for an Eastern European missile defense system. But that hasn't materialized into something tangible.

The summit is also meant to secure China's cooperation on Iranian sanctions. Beijing and Tehran have close economic ties, and it is unclear how far China would be willing to go with sanctions.

A U.S. visit by the Dalai Lama, conflicts over Google (NMS:GOOG) and censorship in China, and U.S. calls for China to revalue its currency have given Beijing little reason to placate the U.S.

Treasury Secretary Tim Geithner did recently delay a report due April 15 that might have labeled China a "currency manipulator."

Obama raised the yuan issue with Chinese President Hu Jintao at a bilateral meeting Monday.

Meanwhile, Israeli Prime Minister Benjamin Netanyahu skipped the summit, though Israel did send a delegation. He reportedly feared that Muslim nations would denounce Israel's nukes, never publicly acknowledged.

### **Iran Denounces Summit**

Iran, which is not present at the summit, scorned the efforts and indicated it would press ahead with its nuclear program regardless of any sanctions or other actions.

The official Iranian news agency quoted President Mahmoud Ahmadinejad on Monday as saying "world summits" were being organized "to humiliate human beings."

Iranian news also quoted Ali Asghar Soltanieh, a top arms negotiator, as saying that "any decision taken at the meeting is not binding on those countries who are not represented at the conference."

While the Iran effort struggled, the White House was able to claim one victory. Ukraine agreed to give up to the U.S. its entire store of highly enriched uranium. The entire supply would be reprocessed by 2012.

"We think we can make enormous progress on this, and this then becomes part and parcel of the broader focus (on nuclear arms) that we've had over the last several weeks," Obama told reporters.

### **Russia, U.S. will each dispose of 34 metric tons of excess weapon-grade plutonium**

Lavrov and U.S. Secretary of State Hillary Clinton signed Tuesday a protocol to amend the U.S.-Russian 2000 agreement on eliminating excess weapon-grade plutonium from defense programs.

"We will spend up to \$2.5 billion to dispose of 34 metric tons of our [excess weapon-grade] plutonium in line with this protocol, the U.S. side will provide some \$400 million as its contribution to our program," Lavrov told journalists in Washington, where a 47-nation nuclear security summit is under way.

The U.S. State Department earlier said in a statement the signing was a "major and essential step toward enabling full implementation of our two countries' obligation to safely and transparently dispose of such excess weapon-grade plutonium, enough material for several thousand nuclear weapons."

"The signing also signifies our commitment to making arms reductions irreversible and to reducing the danger of this material ever falling into the hands of terrorists," the statement added.

Last week in Prague U.S. President Barack Obama and Russian President Dmitry Medvedev signed a new strategic arms reduction treaty. It still has to be ratified by the Russian parliament and the U.S. Congress.

The two countries, which possess about 90% of global arsenals of nuclear weapons, agreed in Prague to reduce the number of nuclear warheads to 1,550 on each side and the number of deployed and non-deployed delivery vehicles to 800 on each side.

### **Dmitry Medvedev set to visit Argentina**

Although Argentina (Argentum is Latin for Silver - Ed.) has not been completely overlooked by Russia since 1885, Moscow and Buenos Aires did not maintain diplomatic relations from 1917 through 1945.

Bilateral cooperation expanded after 1945, when the Soviet Union started buying grain and meat from the world's largest beef producer.

The situation with beef imports is somewhat different today. Argentina, a leading 20th century meat exporter, has now been relegated to fourth place after the United States, China and Brazil.

No one has yet missed a chance to discuss beef issues and to eat those famous Argentine steaks while staying in that Latin American country. Medvedev is unlikely to refuse either for fear of offending Argentinean President Cristina Fernandez de Kirchner.

Argentina prioritizes beef exports to the same extent as Russia prioritizes oil and gas sales. Argentineans who dance the tango just for fun and eat steaks to cleanse the palate cannot do without either. In 2009, per-capita nationwide meat consumption totaled 75 kg, exceeding U.S. statistics (47 kg). A country with a population of 40 million people has a bighorn cattle population of 51 million head.

But for permanent economic experiments, droughts and financial crises, the national cattle population might have increased even more. As it stands, the domestic market is plagued by meat shortages and skyrocketing prices. Meat exports are banned on a regular basis to curb nationwide inflation. Last year, beef prices soared by 40%.

Russian meat prices also tend to increase because Argentinean meat accounts for 25-30% of domestic meat-processing feedstock. Russia, which also depends on Argentinean beef, imported 110,000 metric tons in 2009. This is 33% of nationwide meat imports. Russia imports more beef only from Brazil. Moscow and St. Petersburg import 90-95% of meat.

Russian beef prices usually rise by 10-15% after Argentina introduces a beef-export ban.

Argentines say that officials failing to curb steak prices cannot expect to be re-elected. Following that logic, Cristina Fernandez de Kirchner, due to run for office in 2011, is likely to lose the election.

Argentina can hardly be called a typical Latin American country. There is almost no native population left. The country's European leanings are made up by Spanish, Italian, French, German and British immigrants. The Argentinean dialect has more French words and expressions than any other Spanish dialect.

Moreover, Argentina has a 700,000 large Russian-speaking community, which is more than those in other New World countries.

Apart from political, regional and bilateral issues, Dmitry Medvedev and Cristina Fernandez de Kirchner will, most likely, discuss energy cooperation. Few people know that Russia has been selling hydroelectric generating units to Argentina for the past 40 years, that is, since Soviet times. Russian turbines, primarily those provided by Silovye Mashiny (Power Machines), the largest national manufacturer and supplier of power equipment, generate 25% of the electricity at Argentinean hydroelectric power plants.

Moscow is interested in selling more power equipment to Argentina and in assisting with the building of nuclear power plants.

Medvedev's main objective is to try and overhaul the entire import-export pattern because Russia primarily exports raw materials to Argentina in exchange for agricultural imports. In 2009, Russia imported \$1.5 billion worth of meat, fruit, wines, juices, tobacco and grain from Argentina, in return, supplying metal rolled stock, fertilizer and rubber worth just \$203.2 million.

Moscow, which is set to bid in tenders for the construction of hydroelectric and nuclear power plants, is also proposing that Argentina join the Global Navigation Satellite System (GLONASS). Russia is also willing to help Buenos Aires expand its oil sector, Latin America's fourth-largest in terms of oil output, and to lease icebreakers and helicopters for Antarctic expeditions conducted by Buenos Aires.

*The opinions expressed in this article are the author's and do not necessarily represent those of RIA Novosti.*

### **Democracy Was Disgraced in Russia during the 1990s**

Russia's leading research organization, VCIOM, said that the majority of Russians attach more importance to order rather than democracy: 72% vs. 16%. The Russians still understand order as the political and economic stability of the nation – 41%.

Many Russians give their own specific interpretations of 'order': social protection of the poor (29%), no struggle in the authorities (27%), a possibility for everyone to realize their

rights (25%), strict observation of law (24%). Others also see order as strict discipline (16%) and the attraction of military structures to the struggle against criminals (7%).

Very few Russians associate the notion of order with the restriction of democratic liberties and freedoms – 1% of the polled.

### **Russia Today: Democrats are pushing the US towards war with Iran**

Eleven percent of Russians believe that democracy is nothing but idle talk. Ten percent of the polled said that democracy implied freedom of action for everyone. Six percent described it as anarchy. Four percent understands democracy as the subordination of the minority to the majority.

The share of respondents, who place order above democracy, is the highest among older individuals (76%), undereducated (77%) and low-income people (77%), which is quite natural. Young people (23%), highly educated individuals (21%) and financially secure citizens (24%) support democratic values.

The poll showed that the majority of Russians believe that order is much more important than democracy (72% vs. 16%).

“The interest in stability and lawfulness has been a dominating one during the recent decade in Russia,” scientist of politics Dmitry Badovsky said.

The results of the research do not mean that the Russians do not need democracy, though.

“I think it’s important to understand that there is no contradiction between these numbers. The people want the state, a democratic state, to guarantee law and order, lawfulness and stability. Democracy is not in an opposition to law and order. Democracy relies on law and order ,” the expert said .

### **Spanish prime minister to visit Moscow – Medvedev**

Spanish Prime Minister Jose Luis Rodriguez Zapatero will visit Moscow, Russian President Dmitry Medvedev said on Tuesday.

“We have a vast bilateral agenda, and our relations have reached a good level. Hopefully, we will continue to discuss bilateral economic, political and humanitarian contacts during your [Zapatero’s] visit to the Russian Federation,” he said.

### **US, Russia, Kazakhstan arranged Kyrgyz leader's flight: OSCE**

"As a result of joint efforts of Kazakhstan's President Nursultan Nazarbayev, US President Barack Obama and Russia's President Dmitry Medvedev... an agreement was reached with the Interim Government of Kyrgyzstan and President Kurmanbek Bakiyev on his departure from the country," Kazakh Foreign Minister Kanat Saudabayev said.

Bakiyev's departure is "an important step towards the stabilization of the situation" that would help prevent civil war in Kyrgyzstan, Saudabayev said in a statement on the OSCE website.

He confirmed that Bakiyev had left Kyrgyzstan.

Earlier on Thursday, media reports said Bakiyev had left his stronghold of Jalalabad in southern Kyrgyzstan on a flight to neighbouring Kazakhstan, one week after he was overthrown in a popular uprising.

Kazakhstan currently holds the rotating chairmanship of the Organization for Security and Cooperation in Europe (OSCE), a trans-Atlantic security body.

### **Russia says stance on new Kyrgyz leadership to be performance-based**

Deposed Kyrgyz President Kurmanbek Bakiyev has written a formal letter of resignation, a source in the interim government said.

The president said in a statement his decision on whether to resume full-scale relations with the new Kyrgyz government will be made independently "taking into account the popular will of the Kyrgyz people and the ability of current leaders to maintain order and deal with social and economic tasks."

### **What is meant by strategic arms: Protocol to the new Russian-U.S. START Treaty**

The new START (Strategic Arms Reduction Treaty) bilateral nuclear arms reduction treaty between Russia and the United States was signed by Presidents Dmitry Medvedev and Barack Obama on April 8, 2010 in Prague, the capital of the Czech Republic.

The New START Treaty is organized into three, increasingly detailed, tiers. The first is the 12-page Treaty text itself. The second tier consists of a 138-page Protocol to the Treaty, which contains additional rights and obligations associated with Treaty provisions. These two documents detail the basic rights and obligations. The third tier consists of Technical Annexes to the Protocol.

The Protocol to the Treaty defines the Treaty's terminology and sets out procedures for observing the Treaty and monitoring compliance.

Although the bulk of the document is aimed at specialists, Part One entitled Terms and Their Definitions is very interesting. In effect, this is the only current legal set of terms regarding strategic nuclear arms.

First, a few words about the term "ICBM base." The new START treaty sets no limits on the bases for land-mobile intercontinental ballistic missile (ICBM) systems of the RT-2PM Topol (SS-25 Sickle), RT-2UTTKh Topol-M (SS-27 Sickle B) and RS-24 Yars (SS-X-29) classes.

Under Article IV of the Treaty, each party can only base deployed ICBM launchers at ICBM bases.

Under the Protocol, the term "ICBM base" means: (a) for mobile ICBM launchers, an area in which one or more basing areas and one associated maintenance facility are located.

Unlike the START-I treaty, this definition says nothing about the size of such an area, the number of basing areas, or the number of ICBM launchers which can be deployed simultaneously outside these areas.

And now a few words about the definitions of the nuclear triad's main elements.

The term "intercontinental ballistic missile" or "ICBM" still means a land-based ballistic missile with a range of at least 5,500 kilometers. This is the shortest distance between Russian territory and the continental United States, excluding Alaska.

The term "heavy bomber" means a bomber of any type that satisfies either of the following criteria: (a) its range is greater than 8,000 kilometers; or (b) it is equipped for long-range nuclear air-launched cruise missiles (ALCMs) with a range in excess of 600 kilometers.

The bomber's 8,000-km range allows it to take off from Russian territory, to hit a target on U.S. territory (or vice versa) and to return to its home base with no more than one in-flight refueling. This definition was first coined during the initial Soviet-U.S. strategic arms limitation talks (SALT) in the 1970s.

At that time, the parties disagreed on the Tupolev Tu-22M3 Backfire bomber which has a range of 7,000 km. The United States insisted that the bomber be listed as a heavy bomber and agreed not to consider it as such after the U.S.S.R. pledged not to equip the Tu-22M3 with aerial refueling systems and not to use it to launch ALCMs with a range above 600 kilometers.

Under the Treaty, the term "submarine-launched ballistic missile" or "SLBM" means a ballistic missile with a range in excess of 600 kilometers of any type that is contained in, or launched from, a submarine.

This reduction in missile range is absolutely logical because concealed and maneuverable submarines can approach the coast and receive strategic capabilities even when equipped with missiles having a shorter range than ICBMs.

Although long-range cruise missiles have the same capabilities, this and previous START treaties give strategic-arms status to air-launched cruise missiles alone. The deployment of sea-launched cruise missiles (SLCMs) is currently limited by a 1991 Soviet-U.S. agreement to remove all tactical nuclear weapons from naval surface ships and submarines.

This definition covered Soviet S-10 Granat (SS-N-21 Sampson) and U.S. BGM-109A Tomahawk nuclear-tipped long-range cruise missiles.

Although conventional modern SLCMs can play an important strategic role, numerous Russian proposals on limiting this class of naval weapons have not been supported to date.

### **Russia closes last weapons-grade plutonium plant**

#### **Russia has shut down its last weapons-grade plutonium reactor.**

The ADE-2 reactor opened in 1964 in Zheleznogorsk, then a secret city known as Krasnoyarsk-26.

Some 2,500 miles east of Moscow, the military production complex was founded in 1950 on the orders of Joseph Stalin.

Two other reactors there were closed in 1992, said Yelena Golovinkina, spokeswoman for the Mining-Chemical Complex, which houses the reactor.

Russia's defence ministry stopped using the plutonium for military needs in 1995, and the plant was used mainly to heat the city of Zheleznogorsk, she added.

#### **'Important step'**

The closure of the reactor came after Mr Obama and Mr Medvedev signed a nuclear disarmament treaty, described by both sides as a major step towards improving strained US-Russian relations.

The powers pledged to dispose of 34 tons of excess weapons-grade plutonium each, enough to make 17,000 weapons.

The cost of disposing of the Russian plutonium would be \$2.5bn, Russian Foreign Minister Sergei Lavrov estimated. The US will contribute \$400m to the Russian disposal.

The US president hailed the move by his Russian counterpart after Tuesday's summit.

"This important step forward continues to demonstrate Russia's leadership on nuclear security issues, and will add momentum to our shared global effort," Mr Obama said.

### **International terrorists from FSB Russia murdered Polish President with EMP**

The opportunity was unique for Russia. Russia never had so many enemies seated in one plane over its territory or near a military base equipped with electronic and electromagnetic weapons systems. It was an opportunity that former KGB agent Vladimir Putin could not miss.

To murder enemies was the ABC of philosophy for security services in the Czarist Russia, which remains intact until now. For the FSB, GRU, SVR and for all other Russian secret services it was just a routine operation, which they call in technical terms "the annihilation of anti-Russian political and military leaders of an enemy country."

The Russian claim of a "human error" and other Russian disinformation campaigns can not conceal the fact of a sudden and total failure of all the equipment on board the plane and free the Russians of suspicions that they destroyed the plane in a terrorist attack.

It is a crime that Moscow would have to pay for many years ahead. The Russian state terrorists initially wanted to eliminate the President and his brother, a former Prime Minister Jaroslaw Kaczynski. He didn't board the death plane only by chance, his mother was ill.

Jaroslaw Kaczynski is likely to be the next president of Poland.

Actually, informed people can not be fooled by the Russian disinformation campaign launched after the tragedy, indirectly confirming suspicions disclosed by the Romanian Global News.

The Rumanian Evenimentul Zilei B1 TV aired a program about the tragedy with Caesar Osiceanu as moderator. The Russian version of events contradicts the information received by the Romanian Global News, the program reported.

In its turn, the Polish media is now more concerned with funerals of politicians exterminated by the Russians in the plane crash rather than starting to ask questions and get uneasy.

"A preliminary analysis of the conversations indicate that the 26-year old plane was in good working condition, writes the news.pl.

Initially, the media speculated that the tragedy could have been caused by a poor state of the Russian-made Polish plane, noting that in the past 40 years, 60 such planes crashed. Six of them crashed in the last five years. The head of the production team at the Tupolev plant Alexei Gusev said the aircraft was recently refurbished and its engines were repaired.

The traffic controllers at the airport of Smolensk presumably advised the Polish pilot not to land, warning that a dense fog reduced visibility.

They suggested to the pilots to try to land in the airport of Minsk or Moscow. The Chief Pilot, Arkadiusz Protasiuk, presumably ignored the advice of the Russian controllers and decided to land in the airport in Smolensk. He presumably tried it four times.

A colleague of the now dead pilot, Tomasz Pietrzak, who flew several times such Russian planes, said there is no evidence so far that Protasiuk really tried four times to land in Smolensk.

The crash of the Polish President's plane which caused the death of all 96 passengers is absolutely inexplicable because of the sophisticated electronic equipment on board and experienced pilots.

Sources in the Polish Ministry of Defense in Warsaw reported exclusively to the Romanian Global News that Russian military carried out experiments in the past with electromagnetic weapons on its military base in the area of the military airfield where the plane of the Polish president tried to land.

In 2008, Moscow said it had created the most powerful electromagnetic weapon of all time, known as the EMP (electromagnetic pulse), the Russian paper Pravda reported.

"The immense power of billions of watts is being generated, and the weapon is of extremely small size. The innovation is that electromagnetic pulses emitted by the new weapon is much shorter, but extremely powerful, "said Gennady Mesyats, the Vice President of the Russian Academy of Science and director of the Lebedev Physics Institute.

"Such small weapon has never been created in the past and yet it is extremely powerful. . There were similar devices, made during the Cold War, but their size was huge. Our device is at least 10 times more powerful than any weapon created abroad," said Mikhail Yaladin, a scientist credited with the development of the electromagnetic super weapon.

Any electronic equipment fails to operate in the near of the electromagnetic device, when the generator is running. The device was shown in Yekaterinburg. According to Russian military scientists, it produces results similar to a lightning stroke or a nuclear explosion. The weapon was called Nika, after the Greek goddess of victory.

A weapon of this type can interfere with electronic equipment and engines of any aircraft, Polish military sources said to the Romanian Global News. It is very difficult to detect it because of a short period of the use of the electromagnetic beam.

Kaczynski brothers were among the strongest defenders Polish national interests, both from Moscow and from Germany and Brussels.

Under their leadership, one of the largest Russian spy networks has been destroyed by the Polish military counterintelligence. This is one of the hardest blows that Moscow has ever got in the NATO area.

The Rumanian news agency is not the only one who distrusts the Russians.

"Israeli" media outlets do not trust the official Russian version about the causes of the plane crash near Smolensk as well, the Rumanian Global News says. Some of them are inclined to see a Kremlin-style murder in this incident, reports the izrus.co.il.

Many analyst believe that the tragedy was staged by the Kremlin, which hated Kaczynski, because of his anti-Russian stance.

On April 10, the first "Israeli" TV channel as well as the second one mentioned a possible involvement of Putin in the death of the Polish president.

Next day, on April 11, doubts were expressed in the print media.

"The Poles can hardly believe that all political and military leadership disappeared as a result of an accident caused by a tragic set of circumstances, technical defects and a human factor", writes the Yediot Achronot newspaper.

The Ha'aretz newspaper adds:" In the first hours after the accident, a possibility of a Russian involvement prevailed in the Polish media because of tense relations between Kaczynski and Putin.

The Maariv went further and titled its article "A smell of liquidation".

"Moscow has promised to investigate, Putin became the head of the investigation committee, but it is unlikely that the truth would be ever revealed," , the article says.

The NRG Web site says that "the accusation in a targeted Kremlin-style assassination will accompany the story in the coming year"

A leading political analyst, Attila Somfalvi wrote in the "Facebook" that "the Russians are now the main suspects".

On April 12, the newspaper Ha'aretz noted that Russian solidarity with Poland in the Smolensk tragedy is only meant to deceive the world.

### **Economic:**

#### **Putin Discusses \$6Bln Loan to Ukraine for Reactors**

Both leaders expressed their condolences to the people of Poland over the Saturday morning plane crash in Smolensk that killed President Lech Kaczynski and many other senior dignitaries.

Azarov also said he won a pledge from Putin to remove quotas on Ukrainian large-diameter pipes, a key export for the country that is used in the oil and gas industry.

Putin "promised to make the necessary orders to the relevant ministries. I hope this matter will be resolved and that this matter will be dropped from the difficulties in our relations," Azarov said, referring to the trade barriers.

"I'm very happy to note, above all, the constructive, objective approach from Prime Minister Vladimir Putin," he said, according to a transcript posted on the Russian government web site. "I hope that we really will be able to find solutions in the next few days to the problems that we discussed today."

The two prime ministers also discussed the price of Russian gas exports to Ukraine, an issue that has long been a bone of contention between Moscow and Kiev, but they did not reach a new agreement.

Putin said the Ukrainian proposals were interesting.

"I admit we can achieve a solution, to a large extent it is a matter of calculation. ... It needs to be worked out," Putin said.

Azarov, who was tapped to head the government following the victory of [Viktor Yanukovich](#) in Ukraine's presidential election earlier this year, said he was hoping for an imminent agreement.

"I hope we can find a solution in coming days," he said.

Russia and Ukraine signed an agreement on gas prices in 2009, but the new leadership in Kiev now says the price of gas is too high.

In previous years, the issue has threatened to disrupt supplies to the rest of Europe. About 80 percent of Russian exports to Europe go via Ukraine, although new gas routes are under construction.

Azarov said last week that Russian gas is currently too expensive and, if the price rose too high in the second quarter, Ukraine's chemical industry would grind to a halt.

Ukrainian Energy Minister [Yuri Boiko](#) and [Gazprom](#) chief executive [Alexei Miller](#) agreed Thursday that Ukraine would raise its gas imports by 10 percent this year, to 36.5 billion cubic meters. In 2009, Kiev negotiated an import cut to 26.8 bcm, from 49 bcm the previous year.

### **Innovation, by Order of the Kremlin**

Ostensibly, the cities were closed to guard against spies. Its walls also kept scientists inside, and everybody else in the Soviet Union out. While many people in the country went hungry, the scientific centers were islands of well-being, where store shelves groaned with imported food and other goodies.

Security in these scientific islands was so tight, though, that even children wore badges. Relatives had to apply months in advance for permission to visit. “It was a prison, a closed city in every sense,” recalls Mr. Shtorkh, then a young soldier.

Today, he is the publicist for an improbable new venture. The Russian government, hoping to diversify its economy away from oil, is building the first new scientific city since the collapse of the Soviet Union. Even more improbably, it is modeled, officials say, on Silicon Valley.

The site, still nameless and near a village outside Moscow, is conceived not as a secretive, numbered city in Siberia but as an attempt to duplicate the vibrancy and entrepreneurial spirit of America’s technology hotbed.

[Russia](#)’s rich scientific traditions and poor record of converting ideas into marketable products are both undisputed, cited as causes for the Soviet collapse and crippling dependence on mining and petroleum. Not surprisingly, then, its leaders look longingly at Silicon Valley.

“The whole country needs some sort of breakthrough,” Viktor F. Vekselberg, the Russian business oligarch appointed co-director of the project, said in an interview. Mr. Vekselberg was chosen in part because of his investments in [solar power](#), an unusual venture for one of the oligarchs who made fortunes in commodities. “The founding of the innovation city, in form and substance,” he says, “could be a launching pad for the country as a whole.”

He calls the city “a test run of business models” to rebuild Russian science for the capitalist era.

Once developed, the site is intended to incubate scientific ideas using generous tax holidays and government grants until the start-ups can become profitable companies. Its backers in government and the private sector describe it as an effort to blend the Soviet tradition of forming scientific towns with Western models of encouraging technology ventures around universities.

Skeptics see a deeper strain of Russian tradition: trying to catch up with the West by wielding the power of the state. Looking askance at the incongruous blend of the Kremlin’s will and the openness prized by Silicon Valley, they refer jokingly to the new city as Cupertino-2.

“We should not expect the same mechanisms that work in Silicon Valley to work in Russia,” says Evgeny V. Zaytsev, a co-founder of Helix Ventures, a life sciences [venture capital](#) company based in Palo Alto, Calif., and a member of the advisory board of AmBar, the Russian business association in the real Silicon Valley. “The government will be involved, because that is the way it works in Russia.”

Indeed, the new city was conceived by what is called the Commission on Modernization, deep within the Kremlin bureaucracy.

The Russian government, though, has a long and conflicted relationship with entrepreneurs and scientists. There is still a thriving tradition of government crackdowns on private business with capricious enforcement of the tax laws, making entrepreneurship difficult.

For now, Russia’s hoped-for Silicon Valley is a panorama of muddy fields, birch groves, warehouses and storage sheds belonging to a state agricultural institute. The site was chosen for its proximity to another ambitious project, the Skolkovo business school, housed in a futuristic building financed by millions in donations from the oligarchs, including Mr. Vekselberg.

While similar ideas have been bandied about for years, this one was approved — and blessed with \$200 million in government money — within a month of a visit in January to the [Massachusetts Institute of Technology](#) by senior Kremlin leaders, including Vladislav Surkov, the powerful deputy director of the presidential administration. Mr. Surkov says the new city will isolate new businesses from the bureaucracy that handcuffs the Russian economy today.

A government-financed foundation will build and run the city. Directors of existing state-financed tech companies — including Rusnano, a nanotechnology fund headed by Anatoly Chubais, a leading architect of Russia’s controversial post-Soviet privatization — will serve on the board and contribute money. Separately, a scientific council will

decide which companies can locate at the site. The infrastructure should be in place within three years, Mr. Vekselberg says.

### **Russia-EU gas cooperation time-tested – Medvedev**

Russian President Dmitry Medvedev has congratulated European partners on the beginning of the construction of the Nord Stream gas pipeline.

“Our country has already been cooperating with European partners in the gas sector for more than 40 years and this cooperation is time-tested. I am confident it yields very good mutually beneficial results and nowadays meets over 25 percent of the European Union’s total gas demand,” the president said.

Europe’s gas demand will only grow in the future and the Nord Stream gas pipeline will make it possible to increase gas exports to the EU, Medvedev said at a ceremony to mark the beginning of the pipeline’s construction on Friday.

“Although we are actively searching for alternative sources of energy, Europe’s gas demand will continue to grow and all of us express confidence in this,” he said.

At present, Russia annually exports around 140 billion cubic meters of gas to Europe, the president said.

“Nord Stream will make it possible to annually pump another 55 billion cubic meters of Russian fuel to Germany, Britain, France, the Netherlands, Denmark, the Czech Republic and Belgium,” he said.

“Nord Stream is an example of rather effective multilateral cooperation in energy,” he said. “It opens opportunities for the development of transnational energy infrastructure and exploration of gas fields. This means it will allow to load production capacities and what is most important – to create new jobs in the Russian Federation, European countries and EU member-states.”

### **Russian, Ukrainian PMs to discuss cooperation in energy sector**

Prime Minister's of Russia and Ukraine Vladimir Putin and Nikolai Azarov are expected to discuss the pressing issues related to trade and economic cooperation, press secretary of the Russian PM Dmitry Peskov told journalists today. The officials also agreed to hold a working meeting in Moscow on Saturday, according to Peskov.

### **Regulator expects April inflation to go down year-on-year**

He did not rule out that possibility of increases in the discount rate this year. "If we see inflation go up and rising loan volumes, I do not rule such a possibility, but so far there are no grounds for this," Ignatyev explained.

He also indicated that inflation amounted to 0.7 percent in the last five months of 2009, which was "abnormally low." The official stressed that inflation shrank due to a

decrease in demand. Considering this, inflation in H2 2010 is likely to be higher than in the corresponding period of last year.

### **Gazprom CEO cites options for gas supplies to Romania**

Romania may receive natural gas from the South Stream pipeline by sea or by ground, Gazprom's chief Alexei Miller told a press briefing today. "The matter of a sea gas pipeline for Romania has not been ruled out, but there are other options. Specifically, Romania may receive gas through the territory of Bulgaria," he indicated. He indicated that talks with Romania were underway.

### **Kyrgyzstan hopes to get more than \$150 million aid from Russia**

Almazbek Atambayev flew to Moscow for discussions after the Kyrgyz opposition took control of the country last week, ousting the government of President Kurmanbek Bakiyev.

Atambayev said that last year during peace and quiet times, Russia gave to Kyrgyzstan \$150 million grant, adding that "in the current hard situation the grant must be bigger."

"During the talks in Moscow our issues were taken on board with much understanding. We were assured that Kyrgyzstan is a fraternal country for Russia, and Kyrgyz problems are Russian problems. The day after tomorrow an interim government delegation headed by Deputy Prime Minister Temir Sariyev will fly to Moscow for talks," Atambayev said.

Earlier on April 8, Vladimir Putin spoke on the phone with Kyrgyz opposition-nominated premier Roza Otunbayeva. During the conversation Otunbayeva told Putin that her country needs economic assistance, and Putin said Russia is ready to offer humanitarian aid.

### **Advertisers Prepare for Market Shakeup**

It's not yet clear what shape the advertisement market will take once new anti-monopoly laws come into effect next year, but market players are scrambling to prepare for the shakeup.

In an industry heavily dominated by a single sales house, that means that a big shuffle is ahead.

According to the bill, current agreements between advertisers and sales houses will remain in force for one year, after which channels will have to choose a contractor based on the results of auctions or competitive tenders.

The new rules, which go into effect on Jan. 1, 2011, will change the current structure of ad sales, resulting in increased competition for television channels and the creation of

new advertising firms, said Alexander Mitroshenkov, president of [Transkontinentalnaya MediaKompania](#), a media group operating Klass!, Poka Vse Doma and other TV companies.

"Since one sales house can't control more than 35 percent of the market, it's clear that there will likely be four of them," he said.

Video International is currently far and away the dominant advertising firm in Russia, controlling 60 percent of the market. It sells advertisements for [Channel One](#), [VGTRK](#), [CTC Media](#), [Prof-Media](#) and [AF Media](#).

The other two contenders on the market are Gazprom-Media and Alkasar, which together control more than 30 percent of the market. The companies sell advertisements for [NTV](#) and [TNT](#), both owned by Gazprom-Media Holding, as well as for TV-Center, which is owned by City Hall.

In October, Gazprom-Media lost contracts with two major channels owned by National Media Group, Ren-TV and St. Petersburg's Channel 5, which were snapped up by Video International earlier this year.

The industry's inevitable changes will likely follow one of two scenarios, said Mitroshenkov, who is also vice president of the industry association AKAR.

In the first scenario, one advertising firm would sell advertising to Channel One and Prof-Media, which owns TV3, 2x2 and MTV-Russia, while another firm would advertise for VGTRK, which owns Rossia One and its affiliates, and AF Media Holding, which owns 7TV and Muz TV. A third firm would then sell for CTC Media's channels, which include CTC, Domashnii and DTV.

Mitroshenkov wouldn't give specifics, but because Video International has a contract with Channel One until December 2012, the first scenario may see the advertising firm drop its contracts with National Media Group, VGTRK, AF Media Holding and CTC Media.

Mitroshnikov said Gazprom Media might be eager to regain its lost contract with National Media Group.

In the second scenario, he said, one firm could work with Channel One and National Media Group and another would deal with VGTRK and AF Media Holding, while the third would consolidate business with Gazprom-Media's channels, TV-Center and Third Channel. Under this scenario, a fourth firm would pop up that would manage CTC Media and Prof-Media.

With this scenario, Video International could continue selling ads for Channel One and National Media Group, while dropping VGTRK, AF Media Holding, CTC Media and

Prof Media. Gazprom Media, on the other hand, would retain contracts with NTV, TNT and TV-Center.

Kommersant reported Friday that Yury Kovalchuk's Bank Rossia is considering acquiring a controlling stake in Video International. Market players said that if such a deal went through, the second scenario would be the most likely.

Given Channel One's leading position on the market, the new alignment will largely depend on the strategy that it chooses, Mitroshenkov said.

Channel One's market share exceeded 18 percent in 2008, while that of Rossia One, part of VGTRK holding, stood at 14.5 percent, Kommersant reported.

Channel One is considering all possible scenarios for ad sales but is pessimistic about the future of the advertising market, said Pyotr Shepin, Channel One's commercial director.

"There are not so many options, but we're really discussing all possible variants. We even had a ridiculous idea of selling ads together with Rossia One," Shepin told The Moscow Times.

But such a partnership would become illegal under the new law, because Channel One and VGTRK, Rossia One's owner, would make up more than 35 percent of the market.

The State Duma's new regulations only add uncertainty to the industry, Shepin said, and the situation is complicated even further because the industry is still recovering from the steep fall in ad sales that it suffered as part of the recession.

The market for television ads fell 18 percent in 2009 to 113.7 billion rubles (\$3.9 billion), said Sergei Veselov, a marketing research director with Video International Analytical Center.

Market players are hoping for year-on-year growth of 5 percent to 10 percent this year, he said, with growth in the segment reaching 15 percent in 2011, at which point it will attain 2008 levels.

Increased competition on the market will drive down ad prices, benefiting advertisers to varying degrees but leaving television channels with the short end of the stick.

"The main danger, which may appear as a result of the changes, is an uncontrolled price competition. According to the worst scenario, it may ultimately kill civilized relationships in the television segment," Veselov said.

While industry players have some justified concerns, it's hard to say how the new bill will be implemented in practice, said Tatyana Nikitina, deputy head of the advertising and unfair competition department at the Federal Anti-Monopoly Service.

She added that healthy competition would probably benefit the market.

But while advertisers are likely to benefit from the shakeup, advertising agencies, which develop the ad campaigns and mediate with the ad sellers, say they have needed to lower their fees too much and that the market no longer provides a fair price.

Last year, agencies had to cut their fees from 2 percent to 0.5 to 0.1 percent of their advertising budgets, said Mitroshenkov, of Transkontinentalnaya MediaKompania.

As a result, advertising agencies are proposing rules that would set a floor on the fees they are able to charge.

"Last year's situation has shown that agencies themselves can't reach a reasonable agreement on fees," Mitroshenkov said. "The only way to solve the problem that I can see — it's very painful but impending — is to fix the agencies' fees at 10 percent to 15 percent."

### [U.S. Poultry Producers Agree to Stop Using Chlorine](#)

Gennady Onishchenko, head of the Federal Consumer Protection Service, said Russia would start working with certain producers after they provide official confirmation that they would supply poultry that hasn't been treated with chlorine.

"We have information that U.S. factories are intensively working to give up treating poultry with chlorine-containing sanitations," Onishchenko told Interfax, adding that poultry producers said they were ready to resume exports as soon as possible.

Onishchenko said Russia would start working with certain producers after they provide official confirmation that they would supply poultry that hasn't been treated with chlorine.

Russia froze imports of U.S. poultry on Jan. 1 after long-planned regulations that forbid the import of poultry treated with chlorine — a production method used by many U.S. producers — went into effect.

Russia and the United States have already held two rounds of negotiations and created a draft of an agreement on renewed imports.

Onishchenko didn't specify which companies had agreed to the overhaul or when exports could be resumed.

Albert Davleyev, director of the Russian office of the U.S. Poultry and Egg Export Council, said he could not comment on the course of the negotiations.

The [Russian Poultry Union](#), a nonprofit organization representing Russian poultry producers and suppliers, has no information on the U.S. companies' intention to resume supplies, said [Galina Bobylyova](#), the union's head.

"Everything depends on how actively they will adopt [the new technology] and which technology they will implement. It will take them six months to a year," she told The Moscow Times.

She also said Russian poultry producers were increasing production volumes to fulfill the government's order to replace imports in the coming years.

Chicken is the top U.S. export to Russia, bringing in \$600 million to \$700 million a year to producers in 38 U.S. states, but that may change in the coming years if domestic producers edge out U.S. imports.

President Dmitry Medvedev signed a new "food security" doctrine in February, calling for, among other things, 85 percent of all meat consumed in the country to be produced domestically.

In January, Prime Minister Vladimir Putin said Russia would be able to cease all poultry imports by 2015.

Agriculture Minister [Yelena Skrynnik](#) said Tuesday that meat production would increase 5 percent this year.

The volume of domestic poultry production increased by 14.6 percent in 2009, and Russia will become a net exporter of poultry over the next 4 years to 5 years, the ministry said last month.

### **Korea Kicks Russia Out Of The BRICs**

Brazil dominates LATM with 43% of the basket, followed by Mexico at 23% and Canada at 19%. The small-caps in this new basket remind me of what a small-cap represented when I started in this business with Robert W. Baird: with a market cap of at least \$150 million and meet certain liquidity requirements. Coupling LATM with large cap regional ILF could be a powerful double-barreled shotgun aimed at Latin American growth. Next comes a First Trust spin on the BRIC concept by throwing out Russia and replacing it with South Korea (NYSE: EWY) one of my favorite emerging market holdings. The First Trust BICK Index Fund (NASDAQ: BICK) began trading this week.

To some, adding South Korea will seem odd since it is now leading the group of 20 and has a per capita far higher than India, China and Brazil. In fact South Korea has a GDP roughly equal to that of India though its population is about 5% of India.

South Korea's future is closely tied to growing with these countries and adding it into this grouping should add balance and lower volatility and risk.

Another aspect I like is that each country receives an equal 25% allocation in the index, consisting of up to 25 stocks, which are also equally weighted. It would be better to have more of a concentrated approach with a total of 40 stocks.

Currently, BICK has 87 holdings, and the top 10 holdings all have weightings of more than 2%.

The largest sectors are: Financials 24.8%, Technology 22.1%, Materials 13.4%, Industrials 9.6% and Telecommunications 8.5%. The top holdings, all from India, are [Icici Bank](#) ( [IBN](#) - [news](#) - [people](#) ), [Satyam Computer Services](#) ( [SAY](#) - [news](#) - [people](#) ), [Tata Motors](#) ( [TTM](#) - [news](#) - [people](#) ), [Patni Computer Systems](#) ( [PTI](#) - [news](#) - [people](#) ), and [Infosys Technologies](#) ( [INFY](#) - [news](#) - [people](#) ). The new ETF will have an expense ratio of 0.70%.

### **[HP Execs Suspected of Illegal Payments](#)**

Executives from U.S. computer giant [Hewlett-Packard](#) are suspected of paying million-dollar kickbacks to win a contract with the Prosecutor General's Office, German investigators said Thursday.

Three people with links to HP were temporarily arrested in the case, but it is unclear who in Russia received money in the scheme, Wolfgang Klein, a spokesman for prosecutors in Dresden, told The Moscow Times.

He said a total of nine people, among them three Russians and four German citizens, are accused of organizing a global web of shell companies to hide the transfer of 8 million euros (\$10.8 million) in connection with a major deal to equip Russian prosecutors.

The sum was paid over a period of seven years, starting in 2000, when the first contract was signed.

"The money was wired in numerous small tranches until 2006 or 2007," Klein said in a telephone interview.

He said authorities were investigating allegations of breach of trust, tax evasion and money laundering as well as whether money was funneled out of HP accounts to create a slush fund.

The actual deal, worth 35 million euros (\$47 million), involved the supply of computer hardware and software and installation services for prosecutors' offices nationwide, Klein said.

HP supplied "a state-of-the-art computer system designed to provide secure communications for prosecutors throughout Russia," The Wall Street Journal reported Wednesday. The order included an array of goods such as notebooks, workstations and servers, the report said.

In a bizarre twist, Dresden prosecutors asked their Russian colleagues to help investigate the case, although the accusations imply that officials at the Prosecutor General's Office took the bribes.

The request resulted in a raid at HP's Moscow offices Wednesday, the Investigative Committee said in a [statement](#) on its web site.

Significantly, the German request was handled by the Investigative Committee, an autonomous body that has regularly clashed with the Prosecutor General's Office, nominally its superior.

Klein said his Russian colleagues had confiscated documents but that he did not know when he would obtain them.

No further comment could be obtained from either the Investigative Committee or the Prosecutor General's Office on Thursday.

A spokeswoman for HP Russia on Thursday referred all questions to the company's European headquarters in Switzerland.

A spokeswoman there said the accusations referred to conduct that occurred "almost seven years ago," largely by employees who had left the firm.

"We are cooperating fully with the German and Russian authorities and will continue to conduct our own internal investigation," spokeswoman Anette Nachbar said in an e-mailed statement.

She declined to comment further on the investigation or on the reasons for a leadership change at HP's Russian headquarters.

HP said in October that regional CEO [Owen Kemp](#) would be replaced Nov. 1 by Alexander Mikoyan. Kemp had headed operations in the country since 2004. No reasons were given for the change at the time.

Ironically, the case comes at a time when the government is stepping up its anti-corruption campaign. Many corruption cases are being handled by the Investigative Committee and the Prosecutor General's Office, but officials from both agencies have themselves also been accused of corruption.

Russian prosecutors have also failed to open a criminal investigation into \$7 million in bribes given to officials by German carmaker [Daimler](#), which acknowledged the kickbacks to the U.S. Department of Justice two weeks ago.

[Yury Chaika](#), the current prosecutor general, has held the post since June 2006, when he replaced [Vladimir Ustinov](#), who had been the country's top prosecutor since May 2000.

Klein said it was unclear who received the money because it was channeled through a complex system of accounts in a host of countries.

"It is very hard to find that out because we keep discovering new accounts," he explained, adding that no accounts in Russia had been discovered yet.

The arrests took place in Germany and Switzerland back in December, he said. Klein would not disclose the nationalities of those detained, stating only that they were not Russian and were currently residing in Germany after being freed with restrictions on travel.

All were HP employees at the time of the alleged illicit transfers, and at least two had since left the company, he said.

One of them is a former CEO of International Sales Europe, a now-defunct HP subsidiary that used to handle the company's East European operations, German media reported at the time. He was arrested Dec. 2 at HP's offices in Dornach, near Munich.

A company spokeswoman said at the time that all HP employees involved had worked at International Sales Europe.

The investigation started last year when tax inspectors found suspiciously high bills at a company in the German state of Saxony. Klein did not identify the company, located near Leipzig, but said it was not a HP subsidiary. Its CEO is now among the suspects accused of helping to set up the kickback scheme, Klein said.

The investigation is now being handled by an anti-corruption task force in Dresden, the regional capital.

HP's Russian operations were hit hard by the crisis, but in an interview with The Moscow Times in September, shortly before his departure, Kemp promised that output would return to precrisis levels by 2011.

Based in Palo Alto, California, HP is the world's largest personal computer maker and employs more than 300,000 people worldwide, with more than 1,200 employees in Russia. The company has been operating in Russia since 1969, and it had 11 offices in the country as of last year.

### **[Plan to Join WTO With Customs Union Abandoned](#)**

The government had earlier indicated a willingness to apply for accession to the WTO as part of a customs union with Kazakhstan and Belarus, but First Deputy Prime Minister Igor Shuvalov said that model may be changed "due to tactical considerations."

The government had earlier indicated a willingness to apply for accession to the WTO as part of a customs union with Kazakhstan and Belarus, but Shuvalov said that model would be changed "due to tactical considerations, as long as the decision is approved by the leaders of the three countries of the customs union — Russia, Belarus and Kazakhstan."

Russia has been in talks to join the WTO since 1993 and is currently the only major economy that is not yet part of the organization.

In June, Prime Minister [Vladimir Putin](#) said Russia, Belarus and Kazakhstan would bid for WTO membership together. Later, both he and President [Dmitry Medvedev](#) indicated that Russia would join in whichever way was most expedient.

The idea of joining the WTO within the customs union was dubious from the start, said Alexei Portansky, an expert at the Higher School of Economics' Trade Policy Institute.

"The announcement that Russia will join the WTO along with Belarus and Kazakhstan came as a surprise last June even for the negotiators, as it contradicts the rules of this organization," he said.

The Marrakesh agreement, the 1994 document outlining WTO principles, stipulates that unified customs territories applying for membership must have full sovereignty over their trade policies, as do Hong Kong and Taiwan, and does not mention customs unions of any kind.

"It's clear that the authorities realize they made a mistake last summer and are now trying to save their reputation, by saying cautiously that there is less probability now that the accession to the WTO within the customs union will take place," Portansky said.

The initial stage of the customs union went into effect on Jan. 1 after the new organization's legal framework was finalized. The agreement allows for the establishment of a customs territory by July 1, and the final stage of the union's creation is expected to conclude on July 1, 2011.

According to an estimate by the Russian Academy of Sciences' Institute of Economic Forecasting, the customs union will add a cumulative \$400 billion to the gross domestic products of the three countries by 2015.

Kyrgyzstan has expressed an interest in joining the customs union, but it is not yet clear how the overthrow of the government in the Central Asian nation may affect those plans. Putin also invited Ukraine to join the customs union last month.

Despite the change in strategy, Russia could join the WTO by year's end, Shuvalov said Wednesday at a meeting with members of the European Commission in Brussels.

“Russia hopes to complete all procedures by the end of the year. We have support from the EU and positive signals from the U.S. administration. If the U.S. gives similar support, it will take several months,” Shuvalov said, Itar-Tass reported.

The timing may be right for Russia to secure the support that it needs abroad, but first it needs to step up to the plate, Portansky said.

"Last April, [U.S. President] Barack Obama promised to help Russia join the WTO, but due to a number of pressing domestic issues in the U.S., it looks like the idea was put away for some time," he said. "We need the support of the U.S. plus our own consistency in words and actions in order to join the WTO individually."

Medvedev said Wednesday that he was counting on the Obama administration's support and reproached Obama for not yet fulfilling the promise that he made in April 2009 at the G20 summit in London to help Russia join the WTO.

"Unfortunately, there has been no result so far," Medvedev told Rossia-24.

Shuvalov said Wednesday that Russia would start lowering its customs duties in the second half so as to come in line with the levels required by the WTO.

"To start lowering the tariffs before then would be difficult, almost impossible, because it would not be easy to explain to the Russian people," he said, Reuters reported.

Export tariffs on timber, which have been raised over recent years to stimulate investment in paper production, were one of the key points of recent disagreements with the WTO. In 2008, Russia introduced import duties on automobiles to protect domestic producers.

## **Social:**

### **Widow Blows Self Up After 3 Rebels Die in Ingush Raid**

Security forces stormed the house in Ekazhevo, 3 kilometers north of the Ingush capital, Magas, early Friday, the [Investigative Committee said](#).

The three men inside helped organize twin bombings that killed two people and 13 others outside the police station in the Ingush village of Karabulak last Monday and oversaw a number of other bombings in the republic, the Federal Security Service said [in a statement carried by RIA-Novosti](#).

Ten law enforcement officials were injured in the storming of the house, including four police officers, three FSB officers, and two military servicemen, news reports said.

Several hours later, at about 1:20 p.m., a young woman opened fire at investigators working at the private house, injuring a police officer who died as he was being rushed to the hospital, the Investigative Committee said.

The woman then detonated a homemade bomb that she was carrying, dying on the spot. No one was injured in the explosion.

The woman was the widow of one of the three rebels who blew themselves up in the morning, an unidentified official in the Ingush branch of the Investigative Committee told Interfax.

The Investigative Committee identified her as Marina Yevloyeva, a 25-year-old resident of the neighboring village of Kantyshevo.

Ekazhevo is the village where senior rebel leader Said Buryatsky died when security forces stormed the house where he was hiding on March 2.

### **CORRUPTION WATCH: Medvedev raises fight against graft to new level with national strategy**

Russian President Dmitry Medvedev told a meeting of the state's Anti-Corruption Council that the strategy is "a basic long-term agreement" that sketches out the government's strategy for reducing corruption, reported *Interfax*.

Endemic corruption has become a major drag on growth and costs the Russian economy \$300bn a year, by some estimates, or shaves some 2% off GDP growth a year.

Medvedev has made the drive to stamp out bribe taking and giving one of the main themes of his presidency so far. Among the very first things he did on taking office was to sign a decree on May 19, 2008 to establish the Anti-Corruption Council, followed by a national anti-corruption plan in late July 2008.

Since then, senior officials and state bureaucrats have been fired or jailed almost on a daily basis. More recently, a reform of the police force was untaken, although the Interior Ministry which is responsible for drawing up new legislation to replace the outdated 1991 police law has been dragging its feet.

The federal law on the prevention of corruption was adopted in 2008 and the federal laws outlining the procedures for conducting anti-corruption tests were passed in 2009. And anti-corruption plans have now been adopted in all of Russia's regions, which have also begun to introduce local systems to fight this cancer on the society and economy.

Probably most importantly, Medvedev's campaign has brought the issue into the open and the state is discussing in public not only the problem of corruption, but identifying which services suffer most from it and numbers to show just how big a problem it has become.

Medvedev said that in the first two years of the campaign Russian law enforcement agencies have uncovered over 260,000 graft cases, which is an increase of a quarter over the estimated levels in 2008, while the level of bribe taking is up 5% between 2008 and 2009.

The president has introduced a raft of measures to make it harder to bribe. Amongst those is a proposal to introduce mandatory international financial accounting standards (IFRS) on all companies to fight against a common scam where company owners pay bribes to have their companies undervalued for tax reasons - a major problem, according to Medvedev. "This is a problem that needs to be dealt with. The whole world found itself in a predicament as a result of evaluation problems, which arose with the largest appraisal companies in the most developed economies. So we should keep an eye on it, especially because corruption is so clearly present here," Medvedev was quoted by *Interfax* as saying. However, he rejected the idea of cracking down on offshore zones as impractical.

## Public

## declarations

Medvedev also proposes to increase the transparency of the system and signed off on a decree to force members of the presidential administration and government to declare their income and net worth. "Increased public attention will be given to information about income and property that are now being submitted by all public servants and officials, as required by the decrees signed last year. This year income and property statements will also be submitted by the administration officials and are due to be published soon. The same applies to all other public servants who are required by the presidential decrees to submit, and part of them to publish, such data," Medvedev said. "The whole country will be watching this process, understandably driven by more than mere curiosity. I see it as an important, though, of course, not universal, way of fighting corruption."

And Medvedev intends to increase the fines for those caught accepting bribes by imposing a fine that is a multiple of the amount taken, although he didn't put a number on just how big this multiple would be.

More radically, he called on the general public to get involved by actively using the internet to out corrupt officials, by posting videos and other evidence online. There have been several cases recently when officials and rich people were embarrassed by vocal protests online that has resulted in government action. "We need to think about using the internet whenever possible," Medvedev said. "There are a lot of capabilities for posting programmes, videos and information on public bodies' websites and websites of public organizations combating corruption."

Several of the new laws are specifically aimed at improving the governance of companies for the benefit of shareholders and to crack down on officials aiding companies trying to cheat the system. At the same time, a set of laws to prevent corporate raiding will be introduced. Laws covering forgery, falsifying company meeting results, doctoring official documents and unauthorised entries to documents like company registers will also be beefed up and carry prison sentences of two to three years.

### **Bash the bishop, not the Bible**

We were both in a harried state of lust-filled undress when my date, a youngish American businessman passing through Moscow, said something stunning to me.

Something that left me so dazed, I still don't think I've recovered from it. In fact, I suspect I might actually have a case of Post-Traumatic Stress Disorder from that night.

He said: "I'm a virgin." It gets worse.

Not that I would have had any interest at all in de-flowering this guy (I've had enough bad sex in Moscow to last me a lifetime), but, in any event, he intended to remain a virgin.

It gets worse.

The guy had never masturbated!

It gets even worse.

His reason for all this preposterous chastity was... (wait for it): The BIBLE!

Although, I'd managed to avoid it when I lived in the States, through some bizarre Kafkaesque Moscow twist-of-fate, I had ended up in bed with the American Religious Right.

A real live Bible basher. It goes without saying that he was from Texas.

"Why the fuck did you pick me up then?" I managed to strangle out of my vocal cords as I grabbed a pair of sweatpants.

And now it gets really bad.

He wanted to "cuddle".

I can only imagine the look on my face at that moment.

I mean, come on, you don't get cuddling without the sex. Unless you're married of course. And then that's pretty much all you get.

"I'm going to sleep," I announced. "Right now. If you want to cuddle, fine!"

Now it just gets downright ugly.

Before he let me sink into an oblivion I desperately needed, he wanted to show me his cock so I could assess its relative size.

Unfortunately, I kid you not. The next day over lunch, I told my friend Max all about this bewildering misadventure.

"And he'll only marry a virgin," I told Max.

"Ain't none of those in Moscow," Max pointed out.

"I can't imagine what Russian chicks would make of this," I said.

"It would blow their fucking minds," Max answered. "Completely."

Then I told Max about the cuddling.

"You shouldn't get cuddling without sex," Max said without blinking. "The nerve of the guy."

There is one thing I know for sure about adult virgins (I mean the voluntary virgins and not the ones who no one will screw): they might bash it around, but they've certainly never read the Bible.

There is actually nothing in the Bible that forbids premarital sex. In fact, the Bible is full of hot, steamy sex among the non-spousal. And spousally, almost every guy in that book has concubines (e.g. Abraham) and multiple wives (even Moses had a second wife - and when his siblings criticised him about it, God punished them for complaining).

Some of the sex in the Bible is downright appalling. Fathers offer up their virgin daughters for gang rape to save themselves from that fate, little girls are sold into sex slavery, virgins are spared after battles so that soldiers can forcibly take them, Lot sleeps with both his daughters and gets them pregnant, etc. All per God's orders and all pleasing to Him.

As for masturbation, it simply never comes up in the Bible. Apparently, it wasn't even worth an honourable mention in the book of books.

What horrifies me more than the fact that I found myself in bed with a sexually frustrated virgin, is the fact that I found myself in bed with an ignoramus.

For my own edification, I decided to look at some fanatical American Christian Right websites and see what they had to say about "cuddling" since my virginal ignoramus seemed to think that the Bible is OK with that form of physical intimacy.

Well, it turns out that cuddling could possibly lead to lust. So, no, cuddling is off-limits too.

I only wish I'd known that little factoid the other night. I might at least have been able to get a good night's sleep.

## **Moscow's erotic theatre – where bodies talk**

Tickets start from 500 roubles.

The next show is scheduled for April 21 at 8 pm, but this could change - so those who want to catch the show should confirm the time and date with the cafe.

When the Empire of Angels theatre troupe was on tour in Israel, some viewers complained that it didn't show anything really exciting and that the female performers didn't take off their underwear. These may not exactly be typical complaints from theatre audiences, but then this isn't a typical theatre.

Empire of Angels claims to be the first erotic theatre in Russia, although this is not strictly true. Russia has at least two other theatres performing erotic plays, Roman Viktyuk's and Kirill Ganin's. Unlike Empire of Angels, these are proper theatres with plays, Shakespeare, Stanislavsky and so on - the first having a mostly male cast playing even the female roles, and the latter with actors undressing completely.

The main feature of Empire of Angels is that it performs plays almost without any words - it's more like a ballet with scantily-clad dancers, or a high-quality striptease flouting the rules of this genre by involving both sexes on stage together.

The quality of Empire's shows can vary dramatically, but at its best the staging is stylish, the costumes magnificent, and the moves nothing short of professional.

The cast includes rhythmic gymnasts, dancers trained in such internationally renowned schools as the Bolshoi Theatre choreography academy, and even a circus artist who performs breathtaking acrobatics and gymnastic tricks. The organisers compare their show to Moulin Rouge, Crazy Horse and Todes.

"Our main purpose is to expose the flexibility and elegance in dance," said the theatre's director, Alexandra Rykova.

All Empire's shows start with the main character, a harlequin, who falls asleep and dreams of curious things. A spectacular whirlwind of characters - dolls, cabaret girls, mafia men, sheikhs and Egyptian pharaohs - moves gracefully across the stage, shattering preconceptions of striptease.

Although under-18s are not admitted, the shows are not too explicit. Empire is about to drop the topless scenes from its shows, according to Rykova, so that the dance itself becomes the main feature.

Nudity is not a requirement of erotic dance; those who want it can go to a strip bar, which, as one of the disgruntled Israeli audience members noted, is cheaper.

And touchable.

### **Russian judge shot dead in Moscow**

Russian federal judge Edward Chuvashov was shot dead in downtown Moscow on Monday, a law-enforcement source told RIA Novosti.

"An unidentified person shot Chuvashov in the entrance to an apartment block and then fled," the source said, adding that investigators were working at the scene.

He also worked on the case of the Federal Drug Control Service officer Alexander Bulbov, who was accused of embezzling \$3.2 million and released on bail in November 2009 after 25 months in pre-trial detention.

### **What I like about you: what keeps foreigners in Russia?**

The Motherland may be suffering from runaway inflation, alcoholism, strangling red tape and a host of other afflictions, but this hasn't stopped foreigners from queuing up for their Russian visas.

*"Russia got in my blood and now I'm infected,"* admits Tony Dalton, an accountant with a western company based in St. Petersburg. *"It's the last place on Earth where I imagined myself calling home, but here I am,"* he says with a laugh.

Gerrans, who speaks fluent Russian, says that Russia's atmosphere of "lively social interaction" is one of his main reasons for staying here.

*"Russians haven't lost the art of conversation,"* he said. *"They don't mind a heated debate. It's okay to disagree here, to take original positions on things."*

*"This is a generalization, but in the West overall – and certainly in the UK – people don't want to offend each other or be seen to go off the reservation of what they think other people will find acceptable,"* Gerrans says.

*"People in the West tend to self-censure and stick to unremarkable views on "safe" subjects."*

Dalton somewhat echoed that view, describing the streets of the Russia's "northern capital" as "electrified" with energy day and night.

*"Everywhere you turn in St. Petersburg there is something happening,"* he said. *"There is such energy in the air – electrified is the best way I can describe it – people are not sitting in their bedrooms chatting with their friends over Facebook or Twitter. They still gather in groups and hammer out ideas, and this seems extremely healthy from my point of view."*

## **Adoption Flap Not Expected to Last Long**

Adoptions, a hot-button issue after several Russian children died at the hands of their U.S. parents in recent years, jumped to the forefront last Thursday when a single Tennessee mother sent her 7-year-old Russian son to Moscow with a note saying she no longer wanted him.

President [Dmitry Medvedev](#) denounced the action as a "monstrous deed" by a "bad family." Foreign Minister [Sergei Lavrov](#) said it was "the last straw" in a series of bad adoptions and threatened to suspend all adoptions to American families.

But shock and sympathy has also poured in from U.S. government officials, the U.S. parents of adopted Russian children and other Americans.

Although the mother's actions were dismaying, the incident will not escalate into an international scandal and, to the contrary, promises to ultimately improve relations by convincing the U.S. government to finally discuss a long-running Russian demand for an international agreement on adoptions, analysts said.

"I don't see any [Kremlin] desire to turn this into a political issue," said Fyodor Lyukanov, editor of the journal *Russia in Global Affairs*.

Final arrangements are now being worked out for a visit next week by a State Department team led by Michael Kirby, a deputy assistant secretary who handles adoption issues, State Department spokesman P.J. Crowley said Monday.

"In fact, this trip was being put together even before last week's incident," Crowley told reporters in Washington, according to an e-mailed transcript. "But clearly, this latest situation will be among those things discussed."

He did not give precise dates for the visit.

U.S. Ambassador John Beyrle said the team would discuss "an agreement on bilateral understanding" to ensure the welfare of adopted Russian children.

"Many thousands of Russian children have been adopted by American families, and we hope that children here who are unable to find a family in Russia to adopt them can continue to have this chance," Beyrle said in a statement.

U.S. families adopted about 1,600 Russian children last year, according to the National Council For Adoption, a U.S. nongovernmental organization.

Another senior U.S. official, Melanne Verveer, U.S. ambassador-at-large for global women's issues, will visit Moscow, St. Petersburg and Barnaul soon, and she might also discuss adoptions, the State Department said.

Lavrov said Friday that an accord to ensure the well-being of adopted children must be reached before further adoptions are approved, and he noted that Washington had balked at signing such an agreement in the past.

Medvedev has appeared to support a halt in adoptions, telling U.S. television network ABC News on Friday: "We should understand what happens to our children, or we will have to cease the practice of adoption of our children by American parents."

At least 15 Russian children have been killed by their U.S. parents since the mid-1990s, according to the Prosecutor General's Office. More than 60,000 Russian children were adopted by Americans over the same period, according to the National Council For Adoption. Among the more prominent parents is former U.S. astronaut Thomas Stafford, who adopted two Russian teenage boys in 2004.

But children's ombudsmen [Pavel Astakhov](#) said up to 15 children adopted by Russian parents die every year. "If we compare the statistics for dead children in Russia with America, it is not in our favor," he told reporters Monday.

About 1,220 children adopted by Russian parents died between 1993 and 2008, according to data compiled by the children ombudsmen's office.

Astakhov recommended on Tuesday that the Justice Ministry take over adoption issues from the Education and Science Ministry and said Education and Science Minister Andrei Fursenko supported the idea.

Despite the tough Russian talk about suspending adoptions, no concrete actions have been taken — a sign, analysts said, that Russia will let the incident blow over if the United States agrees to the adoption agreement.

But Elisabeth Bartholet, a professor of law at Harvard University and an expert on international adoptions, cautioned that better enforcement of existing adoption procedures would be better than negotiating the agreement.

"Adding new restrictive requirements to the adoption process typically simply means that children will be kept in institutions for longer," she told The Moscow Times. "This makes them much harder to parent and will increase the chances that the adoption will not work out."

[Artyom Savelyev](#)'s adopted grandmother took the boy to Washington last week and sent him unaccompanied on a United Airlines flight to Moscow's Domodedovo Airport, where a tour guide hired for \$200 by the grandmother picked him up and deposited him at the Education and Science Ministry. The boy was carrying a note from his mother, [Torry Hansen](#), that accused Russian orphanage workers of lying about the boy during the adoption process.

"He is violent and has severe psychopathic issues. ... After giving my best to this child, I am sorry to say that for the safety of my family, friends and myself, I no longer wish to parent this child," the letter said.

The deputy director of the orphanage in the Primorye region town of Partizansk denied misleading Hansen and expressed surprise that the adoption had not worked out. Nadezhda Guseva said Hansen had visited the boy three times before the adoption was finalized in September 2008 and had "made a positive impression" with the staff. "She behaved like a woman who expects to take a child," she said.

The orphanage is home to 82 children, and six of its former wards now live in the United States.

Guseva said the orphanage has kept in touch with the U.S. parents of most of the children. "We have a very friendly relationship with them," she said.

Education and Science Ministry officials, meanwhile, are trying to establish contact with Hansen, who they say remains the legal parent of the boy because she has not renounced her rights in court. A ministry spokesman said the note from Hansen carried by the boy was not a legal document.

U.S. authorities are also trying to [speak with the mother](#).

The boy is currently undergoing checks at a Moscow hospital. What will happen to him next is unclear.

The family of a Russian diplomat has expressed interest in adopting the boy, said Astakhov, who met with the boy on Friday in a meeting featured prominently on state television.

Guseva said his old orphanage was also ready to take him back. "He has many friends here, and many still remember him," she said.

The boy will celebrate his 8th birthday on Friday.

### **[Icelandic eruption not catastrophic - Russian scientist](#)**

The eruption of a volcano on the Eyjafjallajokull Glacier in Iceland which began on Wednesday will not lead to an ecological catastrophe, a Russian scientist said.

"One volcano, even if the eruption is violent, cannot do anything catastrophic," the president of the environmental organization Green Cross Russia and member of the Russian Academy of Natural Science, Sergei Baranovsky said.

"Yes, visibility will worsen, yes, there will be fallout, but it won't necessarily be toxic," Baranovsky said, adding that the eruption would not lead to an ecological catastrophe if it did not continue for a long period of time.

Baranovsky said that it was hard to predict how long the eruption would last.

The volcano, which had been dormant for 200 years, began to erupt on 21 March. Iceland sits on a large volcanic hot spot in the Atlantic's mid-oceanic ridge.

A volcanic ash cloud from the volcano spread across Britain, Ireland and the Nordic countries causing the suspension of flights in several European countries on Thursday.

### **Stalinist purge victims found in Russia's Far East to be reburied**

The bodies of victims of Stalinist purges found in a mass grave during the construction of a road near the Russian Far Eastern town of Vladivostok will be reburied, a Russian Orthodox Church spokesman said on Thursday.

The construction of a road near Vladivostok came to a halt after workers discovered a mass grave in its path. Historians concluded the dead could have starved or been worked to death.

In the early 20th century a military graveyard and White Guard concentration camp were located in the area, where shootings occurred during the times of the Stalinist purges.

"Every contrite person regards it as inconceivable to leave the bodies of the deceased unburied. The Holy Bible says: '...you return to the ground; for out of it were you taken: for dust you are, and to dust shall you return,'" the spokesman for the Primorye Orthodox Diocese said.

Russian Orthodox Church clergy, local officials and the construction companies have set up a commission on reburying the remains.

"The fate of thousands of disturbed souls is at stake," the commission statement said, adding that it would ensure that the bodies find "a worthy end to their posthumous fate."

During the Stalinist purges millions of people were executed on fake charges of espionage, sabotage, anti-Soviet propaganda or died of starvation, disease or exposure in Gulag labor camps in Siberia and the Far East. According to official statistics, 52 million were convicted on political charges during Stalin's regime.

### **Drunk dialing**

In fact, every expat I know is drunk too often in Moscow. I've known people who have actually forced themselves to repatriate home because they felt their livers wouldn't continue functioning much longer if they stayed here.

I tend to the histrionic sober too, so after this "Don't ever call me when you're drunk" fight, my friend Ellie had to come over and calm me down.

"He just doesn't understand our lives here," she said, as I downed a gin & tonic at two in the afternoon. "He's visited, but he has no idea what it's really like for us."

I nodded. "Want some gin?"

I asked her.

My mate Frank agreed with Ellie when I saw him later that night. "It's how we cope with Moscow, don't worry about it. Simply don't call him anymore after you've had a few. Use your judgement. More gin?"

As all of us in Russia know, using your judgement is easier said than done.

Far from home and in this crazy city, once you're actually drunk, making stupid phone calls always seems like a good idea. As does posting regrettable rants or comments on Facebook and sending maudlin text messages and/or e-mails.

Obviously, using my judgement had no possible chance of success.

The first thing I tried was taping signs that screamed in red capital letters: "DON'T CALL MIKE" near every communication device. Yeah, well, that didn't work.

The next thing I tried was to hide all my phones and my BlackBerry in some complex place before I went out for the evening. Like, in the oven or in my first aid kit. That clever little scheme failed as well.

At my wits' end, I stopped putting money on my Russkie mobile, grabbed my scissors and, laughing evilly like some deranged psychotic, cut all my land lines.

"That should do it!" I muttered to myself in satisfaction as I surveyed the results of my phone castration before heading out to dinner near Mayakovskaya.

After dinner, some clubbing seemed like a good idea and a group of us met some other friends at We Are Family. Shots were consumed. Introductions were made. Shots were consumed. Italians were flirted with. Shots were consumed. We met some cool Russians. Shots were consumed. We talked about our love lives. Shots were consumed. We danced. Shots were consumed...

I'm a resourceful drunk at 5 in the morning. Most expats are. You have to be to survive in Moscow because things can go terribly awry in the middle of the night here. But I'm actually so resourceful that I am apparently capable of splicing little phone thingies back onto cord thingamajigs while five sheets to the wind.

With my phone lines cobbled back together, it was as easy as 810 65 to make that verboten call. Which I of course immediately proceeded to do.

Waking up the next morning, I was atremble with terror at the prospect of the predictable fight with NZB over the fact that I had called him the night before. I knew I had to think fast.

Obviously, nothing on Earth was going to prevent me from making these drunken phone calls. I'd tried everything I could think of - I was plum out of ideas. It was time to consider options somewhat outside the box.

"I could stop drinking," I suggested aloud to myself.

"Ha-ha-ha-ha!" came the hysterically amused response.

The Skype video rang. NZB!

Thinking at the speed of light, I answered it. "How dare you?"

I screeched in obvious fury. "How dare you pick up your phone when I'm drunk!"

And that, my friends, is how we do it in Russia.