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Central and Eastern Europe including Russia and Baltic States

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By: Saifullah Khan

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(About Sources)

The report is a collection of news regarding the socio- economic, political, cultural and environmental events in the Central and Eastern Europe and Russia. The data for the report is collected through the following News sources: BBC Online Monitoring News-Reuters-Associated Press News-Washington Post-NEW YORK TIMES -Bloomberg-EUROPA News-POLONIA Today Online-Centre for Russian, East European and Eurasian Studies-News Now Eastern Europe-China news-FOCUS News-Fox.news.com-International Herald Tribune-STRATFOR- Economist, Foreign Affairs-Official websites of CEE States, IMF, World Bank and EU etc.

(About Region)

According to UN Statistics Division, the following states have been classified as the Eastern Europe. These states were once under the Soviet Union's influence and were part of the Warsaw Pact, i.e. Poland, Czech Republic, Hungary and Slovakia (Central Europe), Belarus & Ukraine(Eastern Europe), and Estonia Latvia, Lithuania (Baltic States).



Head Lines

Central Europe (Poland, Czech Republic, Slovakia & Hungary)

Poland

- Polish investigators look into four versions of presidential plane crash-30 April
<http://www.focus-fen.net/?id=n218230>
- Putin, Tusk discuss investigation into Kaczynski crash-29 April 2010
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- US, Poland to resume strategic dialogue-Apr 29,
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- An Arab view on Polish loss-Azmi Bishara
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- Late Polish president's twin brother to run for president April 28, 2010
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- IMF Flexible Credit Line To Shield Poland From Greek Crisis-Minister
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Czech Republic

- Main issues to watch in Czech election
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- Czech govt approves deal with US about scientific cooperation in defense research-
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- Czech cbanker: no strong inflation pressures –paper
<http://www.reuters.com/article/idUSPRG00407320100426?rpc=401&type=hotStocksNews&feedType=RSS&feedName=hotStocksNews&rpc=401>
- Catholic Church Lambasts Fiscal Profligacy Ahead of Czech Elections April 28,
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- Only 9% of Czech citizens are at risk of poverty – the lowest rate in the EU.
- Czechs feel standards of living are improving
- Czechs approve disputed power plant renovation
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- Greenpeace condemns Czech energy giant’s coal-fired power play-29 April 2010
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Slovakia

- Slovak lawmakers bury controversial patriotism act-Apr 27, 2010

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- Orban's triumph-The centre-right party, Fidesz, has won a huge majority in Hungary-Apr

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Eastern Europe (Belarus & Ukraine)

Belarus

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- Iran to inaugurate copper wire plant in Belarus-April 28,
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- 1st Venezuelan Oil For Belarus Arrives In Odessa
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Ukraine

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- Ukraine sees \$19 billion IMF credit agreed in June-Reuters-April 29, 2010
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- Ukraine Investigates Alleged \$290M Misuse by Tymoshenko Government-29 April 2010
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- Ukrainian president pledges to work with Crimean Tatars
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Baltic States (Estonia, Latvia & Lithuania)

Estonia

Euro entry key for Baltic -Latvia PM

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- Estonia set to increase stake in Estonian Air
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- New Documents Reveal Truth on NATO's 'Most Damaging' Spy

Latvia

- Latvia minority govt wins foreign minister vote

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- The diverging fortunes of euro unemployment-April 30, 2010

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- From Latvia to Greece-The IMF's Road to Ruin

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- Devaluation not efficient tactic for Latvia-PM

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- Scientists say recession may spark Baltic TB surge

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Lithuania

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- Lithuania's economy shrinks in first quarter

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- WWII Russian Victory day to be celebrated in a parade in Vilnius

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Russia

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Report Summary

Political and strategic front

Polish investigators look into four versions of presidential plane crash-30 April

Polish Prosecutor General's office said on its website it was looking into four preliminary versions of the recent air crash that killed President Lech Kaczynski: "a technical failure," "a crew mistake," "poor flight management and security" and "third party's actions," such as a terrorist attack or pressure on the crew. Meanwhile, Russian Prime Minister Vladimir Putin and his Polish counterpart Donald Tusk in a phone conversation expressed satisfaction about the level of cooperation between the Russian and Polish bodies investigating into the crash.

Will the June 20th presidential elections bring any drastic change in Polish democracy? Will the shock of the crash lead opponents to rise above the usual bitter partisanship? Or will the sympathy vote play a decisive role in the elections? The analysts have been trying to find the answers to these questions since last month's plane tragedy.

Six years ago, on May 1 Poland and other central European post-communist states joined the European Union, enlarging the bloc to 27 members. In the opinion of Minister for EU Affairs, Mikolaj Dowgielewicz, Poland has benefited tremendously from Union membership in this short period. This has been evidenced by narrowing the gap in civilization development between Poland and the more wealthy societies of EU members. Last year Poland's economy ranked seventh in the EU and Poland remained ahead of Belgium and Sweden in terms of GDP. Poland has not only gained from EU membership, but also greatly contributed to its unity and enlargement. One of its most important initiatives has been the Eastern Partnership project co-authored with Sweden.

The Czech Republic will hold a general election on May 28-29 that looks likely to bring the centre-left Social Democrats to power after a four-year interruption, handing them the task of slashing a crisis-inflated budget gap. The election could break a deadlock that has crippled policymaking since an election produced a hung parliament in 2006. But polls suggest that no strong government is likely to emerge, owing to the fine balance between left and right-leaning voters, and a minority government is a strong possibility.

The Czech Republic's vice premier says the government has approved an agreement with the United States on scientific cooperation in defense research. The deal would make it possible for Czech scientists to participate in and have access to U.S. defense projects. Details were not given.

The Slovak parliament on Tuesday turned down a controversial patriotism act, which had sparked public outrage in Slovakia months before the June general election. Under the failed law, state-run schools would have been forced to play the national anthem before class each Monday and fit classrooms with an array of state symbols. The legislation first passed the chamber in early March, but was vetoed by President Ivan GASPAROVIC. The act's ultra-nationalist backers failed to override the veto.

Hungary's centre-right party Fidesz secured the unprecedented two-thirds majority that it had hoped for on April 25, when it secured 263 of 386 seats in the country's next parliament with 98 per cent of second round votes counted. Fidesz party leader Viktor Orbán named some key members of his future cabinet. Orbán promised a completely new government structure for Hungary.

A Kyrgyz diplomat said on Wednesday the extradition sought by the Kyrgyz interim government of ousted President Kurmanbek Bakiyev from Belarus will not have a negative impact on the two countries' relations.

Meanwhile the first tanker carrying Belarus-bound Venezuelan oil has arrived at Ukraine's Odessa seaport. The tanker is carrying 80,000 metric tons of oil for Belarus' Mozyr oil refinery, the ministry said. Belarus plans to buy 4 million tons of oil from Venezuela in 2010 and up to 10 million tons of oil in 2011, according to instructions given by Belarusian President Alexander Lukashenko to the country's government earlier.

Iran will inaugurate copper wire factory in Belarus. Iranian private sector has invested eight million U.S. dollars on the project. It will produce 12,000 tons of copper wire in the first year to be increased to 50,000 tons in the second year, the report said. The factory's production will be exported to Russia and Ukraine. Minsk and Tehran established diplomatic relations in 1992 and the two sides have enjoyed good relations in recent years with regular high-level meetings and various agreements.

Belarussian leader Alexander Lukashenko warned citizens Tuesday to be on guard against Kyrgyz-style turmoil. He was referring to an April 7 uprising that ousted Kyrgyz President Kurmanbek Bakiyev and killed at least 85 people in the Central Asian nation. He also evaluated the foreign conspiracies against his Government. Ex-Ukrainian premier and opposition leader Yulia Tymoshenko condemned it by calling it a Russian plot to deprive Ukraine of sovereignty.

Russian President Dmitry Medvedev has signed a law ratifying an agreement that extends Russia's lease on naval bases in Ukraine for 25 years after the previous lease agreement's expiration date in 2017. Ukrainian President Viktor Yanukovich on Thursday also signed a law ratifying the agreement. Russian naval facilities in Ukraine, which were inherited from the Soviet Union, are located at the seaport of Sevastopol on Ukraine's Crimea Peninsula and in other areas.

Ukraine was caught napping at Russian Prime Minister Vladimir Putin's proposal to merge the gas monopolies of the two countries, the two nations have already fought two 'gas wars' since the Soviet collapse affecting supplies to the EU countries in a harsh winter.

Lithuanian Prime Minister Andrius Kubilius expressed concern over plans by Russia and Belarus to build nuclear power plants close to his country's borders, "We are quite concerned about the plans in Russia and Belarus if they were to be constructed, we would face considerable environmental challenges.,

According to Prime Minister Vladimir Putin, by achieving a breakthrough in the bilateral relations between Russia and Ukraine they have created very favorable political and economic

conditions for a real strategic partnership. Referring to the latest gas-for- fleet agreement signed by the Presidents of Russia and Ukraine, he pledged that it would help Ukraine acquire additional energy resources and investments for its development and recovery from the global crisis.

Meanwhile Vladimir Putin has proposed the merger of Gazprom, the Russian state gas company, with Naftogaz, the Ukrainian state energy company, as part of its efforts to reintegrate the former Soviet Republic's economy following the election of Viktor Yanukovich. Friday's merger offer took the Ukrainian side by surprise and prompted the pro-western opposition to condemn it as an attempt effectively to take economic control of its former Soviet vassal

A major Arctic border deal between Norway and Russia this week gives Norwegian Prime Minister Jens Stoltenberg a chance to extend Norway's oil boom without splitting the ruling government coalition. The deal makes the area into the new focal point for hopes of growth in Norway's oil industry. Norway's oil production has slumped by more than 50 percent since its peak early in the last decade to some 2 million barrels a day, as output from aging North Sea oilfields fell faster than expected.

Economic Front

Poland's Finance Ministry in its draft 2011 budget forecast economic growth next year of 3.5 percent, a lower rate than projected in the country's recent euro convergence plan. Prime Minister Donald Tusk's centrist government set a growth forecast in its 2010 budget of 1.2 percent, but analysts say this figure is very conservative.

Although most Czechs are agnostics, the Catholic Church in the Czech Republic, which has only 500,000 registered Catholics in a country of 10 million, has recently made headlines by siding with small right-leaning and fiscally economical political parties. The unusual partners are rallying for fiscal spending cuts to prevent a Greek-style debt crisis in the future.

The data released by the Slovak Statistics Office showed that Slovakia's budget deficit enlarged to 6.77 per cent of the country's gross domestic product (GDP) in 2009. It was nearly triple the 2008 figure, when it stood at 2.3 per cent of GDP. Slovakia, an export-driven economy which switched to the euro in January 2009, has suffered from falling demand from its export markets during the global economic crisis. The Slovak finance ministry has predicted a deficit of 5.5 per cent of GDP this year.

According to Media reports, Fidesz planned a type of family taxation and restoring certain child care benefits next year. The new strategy or reform is designed to reduce unemployment from a 16-year-high of 11.4 percent, were also needed.

Belarusian President Alexander Lukashenko said in his annual address to the Belarusian nation and the National Assembly (parliament) of the country here on Tuesday that Belarus should fully overcome the negative consequences of the world financial and economic crisis this year. In his opinion, Belarus should come out of the crisis as a stronger and more competitive country

Ukraine's state prosecutor on Wednesday opened a criminal case relating to what it said was misuse by the government of Yulia Tymoshenko of about \$290 million cash received for selling carbon quotas.

Prime Minister Andrus Ansip confirmed that Estonian government is close to a deal that would see it buy a majority stake in national airline Estonian Air, Thursday. Speaking to journalists at a regular government press conference in Tallinn, Ansip said the deal to buy shares from Scandinavian airline SAS could cost between 200 million and 400 million kroons (12-25 million dollars).

Latvia has experienced the worst two-year economic downturn on record, losing more than 25 percent of GDP. It is projected to shrink further during the first half of this year, before beginning a slow recovery, in which the International Monetary Fund (IMF) projects that it will not reach even its 2006 level of output by 2015 – nine years later. With 22 percent unemployment, a sharp increase in emigration and cuts to education funding that will cause long-term damage, the social costs of this trajectory are also high.

Prime Minister Valdis Dombrovskis said on Friday that devaluation of Latvia's currency would provide only a short-lived benefit and would not be the most efficient tactic for the country. Dombrovskis was addressing a panel discussion at the Munich Economic Summit. Latvia has pegged the lat to the euro and refused to devalue despite a contraction in the economy. Some economists said a devaluation would have taken some of the pain off the downturn by helping improve external competitiveness and boosting exports.

Russia's economy grew 4.5% year-on-year in the first quarter of 2010 compared with the corresponding period a year earlier, the Economy Ministry said Wednesday. Seasonally adjusted gross domestic product grew by 0.6% quarter-on-quarter, it added. For 2010 as a whole, gross domestic product is expected to grow by 4%, Finance Minister Alexei Kudrin said earlier this month. Russia is rebounding from its first recession in a decade, which saw the economy shrink by 7.9% in 2009

Social Front

For the first time, Russia has published documents related to the 1940 massacre of thousands of Polish officers in Katyń, in a gesture of solidarity with Warsaw after the recent death of its president, Lech Kaczyński. Russia's Federal Archive Service, Rosarkhiv, published on 28 April on its website scanned photos of seven documents acknowledging Soviet responsibility for the massacre of 22,000 Polish officers. One document was a note from NKVD chief Lavrenty Beria. The note, carried the signature of Stalin, called for the execution "by firing" of Polish "nationalists and counter-revolutionaries.

Recently, the Quality of Life Index, published by International Living magazine, concluded that the Czech Republic is the 24th best country to live in which even outperformed the UK. According to a poll conducted by the Public Opinion Research Centre (CVVM) at the end of 2009, 45% of Czech citizens think that the standard of living in the country has improved since 1989. On the opposite side-only 14% of people, mostly elderly people, believe that living conditions were better under communism. The poll also revealed that many Czechs saw an

improvement in access to goods and services over the last 20 years (76%), as well as cultural life (61%). A little less than half believe transport services have improved (43%). On the other hand, corruption is still perceived as an issue: 80% of Czechs consider it a problem. Unemployment, social security and health care are also negatively perceived.

The Hungary's estimated 500,000-800,000 Gypsies or Roma fear that the victory of an extreme-right party in national elections could further nourish the climate of hatred against Roma. The Jobbik party, which staged an anti-Gypsy march three years ago, has exploited anti-Semitic and anti Gypsy sentiment to win the elections. After the elections, Fidesz leader Viktor Orban, who is set to be the country's next prime minister, promised to ensure the protection of Roma.

The Palestinian Authority has passed a ban forbidding the sale of settlement goods in the West Bank. The violators will be prosecuted with punishments ranging from a \$14,000 fine to five-year detention. The new provision also targets those Palestinians willing to work in the settlements with one to five year prison sentences. The law does not encompass all Israeli goods, which Palestinians heavily rely on for their subsistence.

Researchers who studied the effects of recession on rates of the highly infectious disease during the fall of the Soviet Union in the early 1990s found a strong link between the two and said their findings suggest a similar pattern could emerge now. According to Nimalan Arinaminpathy of Britain's Oxford University, who led the study, Tuberculosis, which is caused by the Mycobacterium tuberculosis bacteria, is one of three primary diseases linked to poverty, the other two being AIDS and malaria.

World War II veterans will, in a parade in Vilnius. The Vilnius municipal government gave permission for the World War II veterans to celebrate 65th anniversary of the end of the WWII Russian Victory.

As economic integration between the Nordic and Baltic states proceeds in the wake of the Baltic State's accession to the EU in 2004, the virtual flooding of the Nordic state's black markets with cheap amphetamine, often produced in underground labs located in Lithuania, continues unabated.

The Russian Interior Ministry said a \$9 billion money-laundering operation partly run by several Russian bank employees has been broken up by police. Four Azerbaijani nationals were detained by police, accused of being involved in the operation laundering about \$3 billion a year since 2008. The currency was suspected to have been generated from illegal business operations, transferred to foreign outlets and smuggled back into Russia, the news agency said.

Detailed Report

Central Europe (Poland, Czech Republic, Slovakia & Hungary)

Poland

Political Front

Polish investigators look into four versions of presidential plane crash-30 April

<http://www.focus-fen.net/?id=n218230>

Warsaw. Polish Prosecutor General's office said on its website it was looking into four preliminary versions of the recent air crash that killed President Lech Kaczynski, RIA Novosti disclosed. Polish president Lech Kaczynski, his wife, and an official Polish delegation of senior officials died when the plane taking them to a ceremony to pay tribute to some 20,000 Polish officers murdered by Soviet secret police crashed near west Russia's Smolensk on April 10.

The Prosecutor General's office said in a communique on Thursday that "a technical failure," "a crew mistake," "poor flight management and security" and "third party's actions," such as a terrorist attack or pressure on the crew, were seen as possible causes of the crash, in which 96 people were killed. Previous media reports ruled out a malfunction in one of the plane's systems. One of the most popular versions is that Kaczynski ordered the pilot to land in thick fog, although air traffic controllers gave no permission to land and recommended the crew to divert to another airport. Poland's chief prosecutor Andrzej Seremet earlier said that there was no proof that the pilot of the ill-fated plane was pressurized into performing a landing in poor weather conditions. The communique said there was no evidence confirming pressure on the crew at the moment, but "it was too early to rule out this version." Russian investigators, experts and Polish specialists are jointly investigating the causes of the deadly crash and Polish military prosecutors have opened their own probe. Russian Prime Minister Vladimir Putin and his Polish counterpart Donald Tusk discussed in a phone conversation the investigation into the plane crash and expressed satisfaction about the level of cooperation between the Russian and Polish investigating bodies.

Putin, Tusk discuss investigation into Kaczynski crash-29 April 2010

<http://www.focus-fen.net/?id=n218182>

Moscow. Russian Prime Minister Vladimir Putin and his Polish counterpart Donald Tusk discussed in a phone conversation the investigation into the plane crash that killed President Lech Kaczynski, Russian government's press service reported on Thursday, RIA Novosti reported. Putin and Tusk expressed satisfaction about the level of cooperation between the Russian and Polish bodies investigating into the crash. The Polish president, his wife, and an official Polish delegation of senior officials died when the plane taking them to a ceremony to pay tribute to some 20,000 Polish officers murdered by Soviet secret police crashed near west Russia's Smolensk on April 10.

US, Poland to resume strategic dialogue-Apr 29,

http://www.monstersandcritics.com/news/europe/news/article_1552117.php/US-Poland-to-resume-strategic-dialogue

Washington - The United States and Poland plan to resume a strategic dialogue designed to address issues mutually shared by both countries, the nations' top diplomats announced Thursday. US Secretary of State Hillary Rodham Clinton and Polish Foreign Minister Radoslaw Sikorski issued a statement saying the two countries will look to more closely cooperate within NATO and on the future development of missile

Poland: Opportunity in Tragedy-30 April-ZAMAN TODAY'S

<http://www.todayszaman.com/tz-web/news-208172-159-poland-opportunity-in-tragedy.html>

WASHINGTON - This past weekend Poland said goodbye to President Lech Kaczynski, his wife, and dozens of members of the political and military elite who died on April 10 in Russia's Katyn forest. As Poland begins to emerge from a period of national mourning, how is the country faring and what are the opportunities and challenges it now faces? The crash was a powerful blow to the Polish state. The president died along with the Polish army's chief of staff and most of the senior military leadership, the president of the Central Bank, the chief of the president's Chancellery, deputy ministers of defense and foreign affairs, parliamentarians, and many other senior officials. Yet, despite this shock, the country's institutions have continued to function. As dictated by the Constitution, the speaker of the lower house of parliament, Bronislaw Komorowski, has taken over the role of president. The deputy president of the Central Bank has assumed leadership, calming the market, and military chiefs have been temporarily replaced by their deputies. In other words, the system is working, without panic or chaos. Nonetheless, the June 20 presidential elections will show the true impact of the tragedy on Polish democracy. Will the shock of the crash lead opponents to rise above the usual bitter partisanship? Will they moderate their tone, for fear of being punished by disapproving voters? Whatever the tone, one thing seems certain: disagreements over the vision for Poland's future will continue. Acting President Komorowski is the candidate of Civic Platform, the center-right ruling party, in the upcoming elections. It was Komorowski who addressed the nation first after the disaster; he then quickly assumed the responsibilities of president. Reconciling the two roles of candidate and president will require some skill, but if he does it well, he will be hard to beat. The latest poll shows him more than 20 points ahead of the next candidate. As president, Komorowski would assert his independence but also collaborate with Civic Platform's government. President Kaczynski had planned to run as the candidate of the Law and Justice party, the main opposition. The conservative political group's only other natural candidate is his brother, Jaroslaw Kaczynski, who could of course campaign as the torchbearer of Lech Kaczynski's legacy. Although Jaroslaw Kaczynski is a divisive politician, popular sympathy for his late brother now makes him formidable. Mr. Kaczynski must decide soon whether to run. However, there is no doubt that the crash was a profound personal blow to him; in Warsaw, some speculate that he might take early retirement instead. The unlikely victory of Law and Justice's candidate would mean extended period of divisive cohabitation with a Civic Platform prime minister. Smaller parties will have a hard time competing in these elections because they will have only two weeks to collect the 100,000 signatures necessary to register their candidates. The third largest party,

the Social Democrats, who also lost presidential candidate Jerzy Szmajdzinski in the crash, lack a natural candidate and might instead support an independent center-left candidate, Andrzej Olechowski. This tragedy has also done a great deal for Polish-Russian relations, with the Russian leadership making some very significant gestures. The Polish crash investigators have received full cooperation from Russia, and Prime Minister Vladimir Putin personally oversaw the investigation. The Russian leadership also finally authorized the showing of the Andrzej Wajda's film Katyn, which truthfully and graphically depicts the murder in 1940 of 21,768 Polish officers by Stalin's secret police, the NKVD. This followed an already historic meeting between Polish Prime Minister Donald Tusk and Putin in Katyn less than a week before the crash. Finally, Russian President Dmitry Medvedev managed to come to Krakow for last Sunday's funeral, despite the volcanic ash that grounded many other leaders. In his speech at the funeral, Komorowski said that these gestures are "deeply appreciated, and accepted with an open heart and great hope." Polish Minister of Foreign Affairs Radoslaw Sikorski even spoke of an "emotional breakthrough." Does all this already translate into better Polish-Russian relations? Not yet. Many divisive issues remain. But perhaps the default mode has moved from suspicion to gratitude and a beginning of trust.

Poland - six years in EU-01.05.2010

http://www.thenews.pl/international/artykul130740_poland---six-years-in-eu.html

Six years ago, on May 1 Poland and other central European post-communist states joined the European Union, enlarging the bloc to 27 members. Hoisting the EU flag at ceremonies in Warsaw was the crowning of Polish efforts since the early 1990s. It meant meeting a long list of union requirements in the sphere of legislation, economy, finance and administration structures. In the opinion of Minister for EU Affairs, Mikolaj Dowgielewicz, Poland has benefited tremendously from Union membership in this short period. This has been evidenced by narrowing the gap in civilization development between Poland and the more affluent societies of older EU members. Last year Poland's economy ranked seventh in the EU. We came ahead of Belgium and Sweden in terms of GDP, though there is still considerable distance between us and the Netherlands. All this is extremely important as it creates Poland's image and establishes its position among Union members," Dowgielewicz told Polish Radio. Minister Dowgielewicz also drew attention to the fact that Poland has not only gained from EU membership, but also greatly contributed to its unity and enlargement. One of its most important initiatives has been the Eastern Partnership project co-authored with Sweden

Walesa: Solidarity backing for Kaczynski is 'treason-Apr 30,

http://www.monstersandcritics.com/news/europe/news/article_1552255.php/Walesa-Solidarity-backing-for-Kaczynski-is-treason

Warsaw - Former union leader Lech Walesa called Solidarity treasonous on Friday for backing right-wing candidate Jaroslaw Kaczynski in Poland's early presidential elections. 'This is treason of my concept of Solidarity,' Walesa told TVN 24. 'My concept of Solidarity was different, we don't get mixed up in governing. We control ... encourage, keep watch. Jaroslaw is the twin brother of Lech Kaczynski, the deceased president killed in a plane crash with 95 others on April 10 in Russia

An Arab view on Polish loss-Azmi Bishara

<http://weekly.ahram.org.eg/2010/996/op2.htm>

On 11 April the media expressed the shock widely felt on an incident that until then belonged to the realm of fiction more than fact. That day a Polish plane crashed in western Russia, resulting in the death of the majority of the Polish ruling elite, from the president and members of his cabinet, to parliamentary representatives from the coalition and high- ranking military officials. It is not difficult to picture many people living under despotic rule wishing that something similar would befall the ruling elites of their countries. Of course, they would never wish such a disaster upon their national airlines, since their ruling elites never use them. Nor, for that matter, would members of the ruling coalition and the opposition from these countries be found on the same plane on their way to commemorate a national memory, unlike in some other countries where it is feasible for political adversaries to be fellow passengers on the same flight and bound for the same purpose, because they have common national occasions to celebrate together. Another thought occurred to me. In spite of the mass death of the majority of Poland's leaders, not only from the executive and legislature but also from other key government institutions, the country continued to be run as normal the following day. No state of emergency was declared. No curfews were set. The army was not deployed throughout the capital. Crowds did not pour out into the street to prove their grief, or to dance to vent their spleen. People were visibly shocked, and at both the official and grassroots levels the expressions of sorrow were sober and restrained. The reason why government there could continue to function as normal is because it is institutionalised. When a position falls vacant, someone else can be slotted into place. Every leader or administrator has someone to replace him or her. No elected official is irreplaceable. The very process of elections between alternatives proves this. The claim that there are no alternatives is a ruse of regimes that prohibit alternatives from being voiced. Proof to the effect of the foregoing is furnished by the senseless plane crash and its aftermath. It is supplied secondly by the elections that are held in every country that permits for the presentation of alternatives, at least at the level of individuals. A third proof is more hypothetical in nature. Take a leader who is said to be irreplaceable. Imagine him out of office or with no official position whatsoever. Would you be able to associate with him or have him as a friend? Would he command respect or fear? Would people listen to his opinions? What skills or talents does he have? When you begin to think like that, you begin to realise that there are millions like him, in fact, smarter than him, more powerful than him, perhaps more cunning than him, or maybe much more ethical than him

Late Polish president's twin brother to run for president April 28, 2010

<http://english.people.com.cn/90001/90777/90853/6965456.html>

The opposition Law and Justice (PiS) has appointed Jaroslaw Kaczynskithe, twin brother of Poland's late president Lech Kaczynski, the party's presidential candidate. Jaroslaw Kaczynski said in a statement that he had decided to run for presidency to end the mission of victims of the air crash in Smolensk including his twin brother.

Economic Front

IMF Flexible Credit Line To Shield Poland From Greek Crisis-Minister

WARSAW http://www.advfn.com/news_IMF-Flexible-Credit-Line-To-Shield-Poland-From-Greek-Crisis-Minister_42608374.html

Poland's access to the flexible credit line from the International Monetary Fund will boost the country's credibility on international markets and shield it from any fallout from the Greek debt crisis, Polish Deputy Finance Minister Ludwik Kotecki said in a statement Friday. "Poland's access to FCL plays a very important role for the positive perception of the economy, the economic security of the state, the protection of the value of the Polish currency and the strengthening of Poland's credibility on international financial markets," he said. The finance ministry also said the Polish economy is healthy and there are no threats to Poland's economic stability, its currency and public finance sector "The FCL will be a factor in preventing any risks to the Polish economy resulting from the unstable situation in Greece and several other EU countries," he added. The finance ministry also said the Polish economy is healthy and there are no threats to Poland's economic stability, its currency and public finance sector.

Poland should focus on reform, not IMF-c-bankers

<http://www.iii.co.uk/news/?type=afxnews&articleid=7869873&subject=markets&action=article>

WARSAW, April 30 (Reuters) - Poland's central bank said on Friday government plans to extend a flexible credit line from the IMF were not justified and two rate-setters voiced concern it could serve as an excuse to delay key fiscal reforms. The \$20.5 billion dollar credit line, which the government applied for last year and which expires next month, has been a source of conflict in recent weeks between the finance ministry and the central bank's management board. The bank said in a statement on Friday that, while it would offer its support for a renewal if the government insisted, Poland's currency reserves and solid economic fundamentals were an adequate shield from external threats.

Polish 2011 budget plan sees 3.5 pct growth-source

<http://www.iii.co.uk/news/?type=afxnews&articleid=7869449&subject=economic&action=article>

WARSAW, April 30 (Reuters) - Poland's Finance Ministry in its draft 2011 budget forecast economic growth next year of 3.5 percent, a government source said on Friday, a lower rate than projected in the country's recent euro convergence plan. "(In the proposal 2011) economic growth is assumed at 3.5 percent and annual average inflation is assumed at 2.3 percent," the source told Reuters. Growth this year is expected at 3.0 percent. Annual inflation stood at 2.6 percent last month and is expected to ease further in the near term. Prime Minister Donald Tusk's centrist government set a growth forecast in its 2010 budget of 1.2 percent, but analysts say this figure is very conservative and ministers also now say they expect the economy to expand by about 3 percent.

Social Front

Poland to attend Soviet victory celebrations-Apr 30, 2010,

http://www.monstersandcritics.com/news/europe/news/article_1552230.php/Poland-to-attend-Soviet-victory-celebrations

Warsaw - Polish acting President Bronislaw Komorowski said Friday he will attend events in Moscow marking the end of World War II. Komorowski said he will fly to Moscow in a rented plane to attend the May 9 celebrations marking the 65th anniversary of the Soviet victory over Nazi Germany. Komorowski told Radio ZET that the visit will also include bilateral talks. Polish and Russian relations have warmed recently after Warsaw praised Moscow for their help in the aftermath of a plane crash in Smolensk, Russia. The crash killed President Lech Kaczynski and some 95 other crew, politicians and military brass who were en route to Katyn for ceremonies marking the Soviet-era massacre of Polish officers.

Russia declassifies documents related to Katyn massacre-30 April 2010

<http://www.euractiv.com/en/foreign-affairs/russia-declassifies-documents-related-katyn-massacre-news-491978>

For the first time, Russia has published documents related to the 1940 massacre of thousands of Polish officers in Katyn, in a gesture of solidarity with Warsaw after the recent death of its president, Lech Kaczyński. Russia, Poland eye reconciliation at Katyn mass grave Russia's Federal Archive Service, Rosarkhiv, published on 28 April on its website scanned photos of seven documents acknowledging Soviet responsibility for the massacre of 22,000 Polish officers. One document, dated 5 March 1940, was a note from NKVD chief Lavrenty Beria. The note was signed by then-Soviet dictator Josef Stalin and three other members of the Soviet Politburo. The note ordered the execution "by firing" of Polish "nationalists and counter-revolutionaries". For decades, Moscow blamed the Nazis for the massacre and didn't acknowledge Soviet responsibility until 1992, under the presidencies of Lech Wałęsa in Poland and Boris Yeltsin in Russia. None of the culprits have ever been identified and investigations have been shelved. A Russian court in July 2008 refused to consider a request for a criminal investigation into the Katyn massacre

Background

Germany invaded Poland in 1939 while Soviet forces occupied the eastern half of the country. As a consequence, tens of thousands of Polish military personnel fell into Soviet hands and were put in prison camps inside the Soviet Union. After the German invasion of the Soviet Union in June 1941, the Polish government-in-exile (located in London) and the Soviet government agreed to cooperate against Germany, and a Polish army on Soviet territory was to be formed. When Poland requested the return of 15,000 prisoners of war from the Soviets, the Soviet government informed Poland in December 1941 that most of those prisoners had escaped to Manchuria and could not be located. In April 1943, Germany announced they had discovered the mass graves of Polish officers in the Katyn forest near Smolensk: a total of 4,443 corpses were recovered. The Soviet government then claimed that the Poles had been engaged in construction work west of Smolensk in 1941 and the invading German army had killed them after overrunning that area in August 1941. President Kaczyński, his wife and 94 officials were killed April 10 in a plane crash in western Russia en route to a ceremony commemorating the Katyn

massacre. As analysts pointed out, the sincere sympathy of the Russian people and leadership towards Poland over the tragic accident marked an improvement in bilateral relations.

Czech Republic

Political Front

Main issues to watch in Czech election

<http://www.iii.co.uk/news/?type=afxnews&articleid=7865386&subject=general&action=article>

PRAGUE, April 28 (Reuters) - The Czech Republic will hold a general election on May 28-29 that looks likely to bring the centre-left Social Democrats to power after a four-year hiatus, handing them the task of slashing a crisis-inflated budget gap. The election could break a deadlock that has crippled policymaking since an election produced a hung parliament in 2006. But polls suggest that no strong government is likely to emerge, owing to the fine balance between left and right-leaning voters, and a minority government is a strong possibility. Here are selected issues to look for in the election.

Voting Results and Coalitions

The Czech Republic has not had a government with a clear majority for over a decade and election results tend to be close, leading to weak governments and frequent policy deadlock. The Social Democrats hold a 7-9 percentage point lead over their main rivals, the centre-right Civic Democrats, but will almost certainly need coalition partners to control a majority of parliament's 200 seats. They could form a minority government backed by votes of the far-left Communists, a party deemed unacceptable by most in the political spectrum, which has not had any share on power since the end of its totalitarian rule in 1989. A close result could lead to a grand coalition of the two biggest parties, the Civic Democrats and the Social Democrats, a development analysts say could hamper decisive reforms. Success of new small parties, derived from voter dissatisfaction with a series of graft scandals in the main parties, could alter the picture, possibly opening the way for a centre-right coalition. Some of the small parties have been gaining strength in recent polls.

Czech government approves deal with US about scientific cooperation in defense research- Associated Press-April 27, 2010

<http://www.courant.com/news/nation-world/sns-ap-eu-czech-us,0,5154709.story>

PRAGUE (AP) — The Czech Republic's vice premier says the government has approved an agreement with the United States on scientific cooperation in defense research. Martin Bartak said Tuesday the deal would make it possible for Czech scientists to participate in and have access to U.S. defense projects. Details were not given. He said he expected it to be signed in next few weeks. The agreement is a byproduct of a Bush-era plan to place parts of a U.S. global missile defense shield in the Czech Republic and Poland. Last year, President Barack Obama's administration abandoned the plan and also won Czech support for its new missile defense system

Economic Front

Czech banker: no strong inflation pressures –paper

<http://www.reuters.com/article/idUSPRG00407320100426?rpc=401&type=hotStocksNews&feedType=RSS&feedName=hotStocksNews&rpc=401>

In an interview published in magazine Tyden she also said it was not possible at this moment to say when monetary policy tightening could start and that it would depend on the intensity of inflation pressures. "At the moment I do not see any stronger inflationary pressures, nor the threat of deflation risks," she said. Zamrazilova said earlier this month that she was satisfied with interest rate levels, and that she would miss the seven-member board's next policy meeting on May 6. She voted with the majority in March to keep interest rates flat at a record low 1 percent instead of cutting further

Catholic Church Lambasts Fiscal Profligacy Ahead of Czech Elections April 28,

<http://blogs.wsj.com/new-europe/2010/04/28/catholic-church-lambasts-fiscal-profligacy-ahead-of-czech-elections/>

Although most Czechs are agnostics, the Catholic Church in the Czech Republic, which has only 500,000 registered Catholics in a country of 10 million, has recently made headlines by siding with small right-leaning and fiscally frugal political parties. The unusual partners are rallying for fiscal spending cuts to prevent a Greek-style debt crisis in the future. The choice between fiscal austerity versus more government handouts is turning out to be the most important issue ahead of May 28-29 parliamentary elections that are likely to produce a new government. Tuesday, Vaclav Maly, a well-known auxiliary Prague bishop and former Communist-era dissident, weighed in on the current excessive fiscal debt incurred by the Czech government and voiced concerns that some political parties, namely the left-of-center Social Democrats, are wary of reigning in budget spending. His comments came hours after rating downgrades for Greek and Portuguese sovereign debt.

Social Front

Quality of life greater concern to Czechs than poverty-30 April 2010

<http://www.euractiv.com/en/socialeurope/czechs-more-concerned-about-quality-of-life-than-fighting-poverty-news-489760>

The Czech Republic has been a democratic country for twenty years and an EU member state for six. Although it still faces social problems, the situation is improving and the country is in a relatively good situation compared to older member states. EurActiv.cz reports on the country's efforts to fight poverty

Only 9% of Czech citizens are at risk of poverty – the lowest rate in the EU.

According to national experts, this low poverty rate comes from protective measures inherited from the communist era. "These measures were introduced in the period before 1989 and are nowadays blended together with liberal instruments," says Mirka Wildmanová from the

Department of Public Economy at Masaryk University in Brno. Recently, the Quality of Life Index, published by International Living magazine, concluded that the Czech Republic is the 24th best country to live in. As the cost of living falls, the former communist state even outperformed the UK, provoking fury in the British media.

Czechs feel standards of living are improving

According to a poll conducted by the Public Opinion Research Centre (CVVM) at the end of 2009, 45% of Czech citizens think that the standard of living in the country has improved since 1989. On the opposite side—only 14% of people believe that living conditions were better under communism. One third of elderly people fall under the latter category. The poll also revealed that many Czechs saw an improvement in access to goods and services over the last 20 years (76%), as well as cultural life (61%). A little less than half believe transport services have improved (43%). On the other hand, corruption is still perceived as an issue: 80% of Czechs consider it a problem. Unemployment, social security and health care are also negatively perceived.

Healthcare difficulties

The Czech health service is based on a public insurance system. It faces many difficulties, such as long waiting periods for specific surgeries, varying availability or quality of medical help from region to region, and a lack of paramedical personnel

Underpaid professions

The average salary in the Czech Republic is now €1,030, which constitutes a 5.2% rise compared with last year. This increase could be partly explained by structural influences, such as collective redundancies of low-wage workers.

Czechs approve disputed power plant renovation

<http://www.businessweek.com/ap/financialnews/D9FCPPK80.htm>

The Czech Republic's environment ministry has approved the controversial renovation of a power plant. Environment Minister Rut Bizkova said Thursday a plan by the power utility CEZ AS was approved to renovate the lignite-fired Prunerov plant, the Czech Republic's biggest greenhouse gases producer. It was protested by environmentalists who claimed the renovation would not use the best available technologies. The case made news internationally after a tiny Pacific island republic of Micronesia in the western Pacific Ocean officially asked the ministry to stop the plan because of the potential cross-border impact of carbon emissions from the plant

Greenpeace condemns Czech energy giant's coal-fired power play-29 April 2010

<http://www.greenpeace.org/international/press/releases/greenpeace-condemns-czech-ener>

Prague, Czech Republic — Greenpeace denounced the Czech Environment Ministry's decision today to accept a seriously flawed environmental impact assessment (EIA) for the expansion of the Czech Republic's largest coal-fired power plant as a shamefully manipulated political decision, which does not respect expert analysis. The energy giant, CEZ, forced through the substandard plans for the extension of Prunerov II

Slovakia

Political Front

Slovak lawmakers bury controversial patriotism act-Apr 27, 2010

http://www.monstersandcritics.com/news/europe/news/article_1551455.php/Slovak-lawmakers-bury-controversial-patriotism-act

Bratislava - The Slovak parliament on Tuesday squashed a controversial patriotism act, which had sparked public outrage in Slovakia months before the June general election. Under the failed law, state-run schools would have been forced to play the national anthem before class each Monday and fit classrooms with an array of state symbols. The act's critics have said that love for the nation could not be ordered by a law. The legislation first passed the chamber in early March, but was vetoed by President Ivan Gasparovic. On Tuesday, the act's ultra-nationalist backers failed to override the veto.

Social situation in Slovakia still a painful issue-28 April 2010

<http://www.euractiv.com/en/social/europe/social-situation-in-slovakia-still-a-painful-issue-news-486263>

According to Slovak Prime Minister Robert Fico, the goals of the 'Europe 2020' strategy – including that of reducing poverty by 25% – are "illusory". So too is the notion that the social situation of all Slovak citizens has improved in the decades since 1989. EurActiv Slovakia reports. The leading party in the governing coalition, Direction–Social Democracy (SMER-SD), came to power in 2006 on the back of a wave of criticism of insensitive neoliberal reforms carried out by the previous centre-right government. Fico's social image and the healthy economy prior to the crisis helped him gain a dominant position in Slovakia's political arena. The Slovak Academy of Sciences estimates that by 2020, Slovakia will reach 75-80% of the socio-economic level of more developed EU member states and 90% of that of the EU 27 as a whole. Slovakia, together with the Czech Republic, Hungary and Poland – the so-called 'Visegrad' group – has questioned the EU's 'Europe 2020' goal of reducing poverty by 25%. "The goals of the EU 2020 strategy are illusory. It will end the same way as the Lisbon Strategy, because if it is adopted in this form, most EU countries will have serious problems meeting the goals," said Fico after an EU summit in March. Just before the economic crisis began to seriously hit Bratislava in 2009, unemployment in Slovakia had fallen to its lowest level in history: less than 8%. Slovakia also had one of the highest economic growth rates in the EU, but such statistics are now a thing of the past. Although the situation and living standards of many people have improved in recent years, there are still a significant number of people who are sometimes collectively referred to as "the transformation losers". Public opinion polls conducted in the Visegrad countries on the 20th anniversary of the fall of the Soviet Union revealed that many people do not believe that they are better off now than they were prior to 1989. In Slovakia, 32% of respondents said their living standards are lower than they were before 1989, and 16% said they are basically the same

Economic Front

Slovakia will cut fiscal deficit to 5.5 pct of GDP, as planned

<http://www.iii.co.uk/news/?type=afxnews&articleid=7855524&subject=companies&action=article>

BRATISLAVA, April 26 (Reuters) - Slovakia will cut its fiscal deficit to 5.5 percent of the gross domestic product (GDP) as planned this year despite overshooting its past year's target, Finance Minister Jan Pociatek said on Thursday. The euro zone member saw its public finance gap jump to 6.77 percent of GDP in 2009, above the original 6.3 percent ceiling, figures showed on Thursday, as the global downturn sent the heavily export-reliant economy into its deepest recession on record. "We have reserves in the state budget to cope with a drop in tax revenues, and we can limit ministries' spending," Pociatek told reporters. Pociatek said the higher 2009 gap was due to bigger deficits on the municipal level and at universities.

Slovak budget deficit reaches 6.77 per cent of GDP-Apr 27, 2010,

http://www.monstersandcritics.com/news/business/news/article_1550159.php/Slovak-budget-deficit-reaches-6-77-per-cent-of-GDP

Bratislava - Slovakia's budget deficit swelled to 6.77 per cent of the country's gross domestic product (GDP) in 2009, data released by the Slovak Statistics Office showed Thursday. The was nearly triple the 2008 figure, when it stood at 2.3 per cent of GDP. Slovakia, an export-driven economy which switched to the euro in January 2009, has suffered from falling demand from its export markets during the global economic crisis. The Slovak finance ministry has predicted a deficit of 5.5 per cent of GDP this year.

Hungary

Political Front

Hungary for change-Apr 30 2010

http://sofiaecho.com/2010/04/30/894440_hungary-for-change?ref=rss&utm_source=feedburner&utm_medium=feed&utm_campaign=Feed%3A+rss2%2Fall-news+%28+Sofia+Echo%29

VIKTOR THE VICTOR: Hungary's prime minister elect and Fidesz party leader Viktor Orbán at a news conference in Budapest on April 26, a day after his centre-right party won the elections by a landslide, which will enable it to pass deep state reforms. Hungary's centre-right party Fidesz secured the unprecedented two-thirds majority that it had hoped for on April 25, when it secured 263 of 386 seats in the country's next parliament with 98 per cent of second round votes counted. Fidesz leader Viktor Orbán fought back a wide grin as he stood before a jubilant crowd that filled Vörösmárty tér in the centre of the capital. The crowd chanted "Viktor, Viktor!" as the prime minister-elect prepared to speak.

Orban's triumph-The centre-right party, Fidesz, has won a huge majority in Hungary-Apr 29th 2010

http://www.economist.com/world/europe/displaystory.cfm?story_id=16009177&fsrc=rss

VIKTOR ORBAN always wanted to make history and now he has. The leader of Fidesz, Hungary's centre-right party, won a stunning two-thirds majority in parliament on April 25th,

taking 263 of the 386 seats. The ruling Socialists imploded, winning just 59 seats. The far-right Jobbik party won 47. At the opposite end of the spectrum, LMP (Politics Can be Different), a new liberal-green group, took 16.

Hungary's prime minister-elect starts naming new cabinet-Apr 29, 2010

http://www.monstersandcritics.com/news/europe/news/article_1552083.php/Hungary-s-prime-minister-elect-starts-naming-new-cabinet

Budapest - Viktor Orban, whose centre-right party Fidesz won a landslide victory in Hungary's general elections this month, named some key members of his future cabinet while speaking to reporters on Thursday. In a joint press conference with his new appointees, Orban promised a completely new government structure for Hungary. Fidesz had signalled earlier that it intends to reduce the number of ministries when it forms a government, with several functions being combined in single 'super ministries.

Economic Front

Hungary's New Government Seems to Prefer Weaker Currency

<http://blogs.wsj.com/new-europe/2010/04/29/hungarys-new-government-seems-to-prefer-weaker-currency/>

Hungarian central bank governor Andras SimorThe Greek crisis could do Hungary a favor by weakening its currency, the forint, which may come handy for the future government of Prime Minister-elect Viktor Orban that named economic recovery as its main objective. A weaker forint could boost Hungary's economic growth, which is mostly driven by exports. It also loosens monetary policy — exactly what the central bank Governor Andras Simor wished for after the central bank's rate meeting Monday when the policy rate was cut to yet another all-time low of 5.25%. The central bank is in the easing mode as economic growth has been reluctantly sluggish, while inflation will next year likely undershoot the central bank's 3% target

Hungary eyes tax reform to boost employment

<http://www.iii.co.uk/news/?type=afxnews&articleid=7860978&subject=economic&action=article>

BUDAPEST, April 27 (Reuters) - Hungary's new government will clamp down on tax evasion and plans tax cuts this year to facilitate job creation in the recession-hit economy, Fidesz party vice chairman Mihaly Varga said on Tuesday. Centre-right Fidesz scored a landslide victory at Sunday's elections, winning a broad mandate to implement public sector reforms and to drag the country out of its worst downturn in nearly two decades last year."I would split tax changes into two parts: those that are necessary, immediate steps, and those that we would like to do from 2011," Varga, tipped by local media to be deputy prime minister in the next government, told public television m1. He said Fidesz planned a type of family taxation and restoring certain child care benefits next year, but added more immediate steps, including tax cuts designed to reduce unemployment from a 16-year-high of 11.4 percent, were also needed. "The time has come to create jobs.

Hungary Cuts Key Rate to Record Low After Fidesz Wins (Update1)-April 26 (Bloomberg)

<http://www.businessweek.com/news/2010-04-26/hungary-cuts-key-rate-for-10th-month-a-day-after-fidesz-victory.html>

Hungary's central bank cut the benchmark interest rate for the 10th consecutive month today, hours after Fidesz, the party that has criticized the bank for easing policy too slowly, scored a landslide election win. The Magyar Nemzeti Bank reduced the two-week deposit rate to 5.25 percent from 5.5 percent, the lowest since communism ended 20 years ago. The decision matched the forecast of 13 of 16 economists in a Bloomberg survey. Three predicted no change. Central bank President Andras Simor will explain the decision at 3 p.m. in Budapest.

Social Front

April 27, 2010-Hungary's Gypsies Fear Post-Election Murders-(AP)

<http://www.cbsnews.com/stories/2010/04/27/world/main6436468.shtml>

Robert Csorba and his son were murdered a year ago for being Gypsies. Now his relatives are using the bricks from his burned out house to wall off their home as they brace for more possible violence ahead. The Csorba slayings were part of an unprecedented string of serial killings of gypsies that stopped after claiming six victims with arrests in August. But Gypsies fear that big gains made by an extreme-right party in national elections over the weekend could further feed the climate of hatred that spawned the murders. The Jobbik party exploited anti-Semitic and anti Gypsy sentiment to surge from almost nowhere to 16.7 percent of the voting that ended Sunday. That makes Jobbik - which is linked to combat-booted paramilitaries that staged an anti-Gypsy march in this village three years ago - the third strongest party in parliament. Compounding gypsy fears is the fact that Fidesz, the center-right party that won the election, has linked its "law and order" pledge to keeping a closer eye on on Hungary's estimated 500,000-800,000 Gypsies or Roma. In postelection comments Monday, Fidesz leader Viktor Orban, who is set to be the country's next prime minister, promised a crackdown on petty crime in language clearly alluding to the Roma.

Eastern Europe (Belarus & Ukraine)

Belarus

Political Front

Russian MFA: Azerbaijan never requested Russia to suggest Turkey as OSCE MG co-chairing country

<http://www.panarmenian.net/eng/world/news/47928/>

April 30, 2010-Azerbaijan never requested the Russian Foreign Ministry to suggest Turkey as the OSCE Minsk Group co-chairing country, RF MFA spokesman Andrei Nesterenko stated. "Russia received no official offer as to the above. To make this a topic of discussion, we, at the very least, need the agreement of all conflicting parties. Considering the recent suspension of

ratification of Protocols on normalization of Armenian-Turkish relations, we can hardly expect it," the diplomat said during a briefing in Moscow, RF MFA press service reported.

Kyrgyz diplomat says Bakiyev's extradition not to affect ties with Belarus 08:24, April 29

<http://english.people.com.cn/90001/90777/90851/6966870.html>

A Kyrgyz diplomat said on Wednesday the extradition sought by the Kyrgyz interim government of ousted President Kurmanbek Bakiyev from Belarus will not have a negative impact on the two countries' relations. "Our government of course would like to make an extradition of him (Bakiyev) to Kyrgyzstan, but it doesn't mean that our relationships with this country will get worse," Attache Deniz Grechanny of the Kyrgyz embassy in Turkey told a press conference.

Iran to inaugurate copper wire plant in Belarus-April 28,

<http://english.people.com.cn/90001/90777/90854/6966730.html>

Iran will inaugurate copper wire factory in Belarus in the presence of Iranian Minister of Industries and Mines Ali-Akbar Mehrabian next week, the official IRNA news agency reported. Iranian private sector has invested eight million U.S. dollars on the project. It will produce 12,000 tons of copper wire in the first year to be increased to 50,000 tons in the second year, the report said. The factory's production will be exported to Russia and Ukraine, according to IRNA. Minsk and Tehran established diplomatic relations in 1992 and the two sides have enjoyed good relations in recent years with regular high-level meetings and various agreements.

1st Venezuelan Oil For Belarus Arrives In Odessa

http://www.advfn.com/news_1st-Venezuelan-Oil-For-Belarus-Arrives-In-Odessa-Prime-Tass_42552334.html

The first tanker carrying Belarus-bound Venezuelan oil has arrived at Ukraine's Odessa seaport, Ukraine's Transportation and Communications Ministry said Tuesday, according to the Prime-Tass news agency. The tanker is carrying 80,000 metric tons of oil for Belarus' Mozyr oil refinery, the ministry said. Belarus plans to buy 4 million tons of oil from Venezuela in 2010 and up to 10 million tons of oil in 2011, according to instructions given by Belarusian President Alexander Lukashenko to the country's government earlier.

Belarus Leader Warns Against Kyrgyz-Type Turmoil-April 27, 2010

<http://abcnews.go.com/International/wireStory?id=10488680>

MINSK (Reuters) - Belarussian leader Alexander Lukashenko warned citizens Tuesday to be on guard against Kyrgyz-style turmoil, suggesting outside forces were bent on pushing him from power as a 2011 presidential election approaches. "We have a crucial campaign ahead of us, an arduous campaign," local news agencies quoted Lukashenko as telling villagers on a visit to eastern Belarus. He said that if he sought another term, as is expected, "it will get even harder." "You must not relax, in order not to permit what is happening in some republics, what recently happened in Kyrgyzstan," he said. "This is what we don't need. If somebody is applauding and

rejoicing, it's not the Kyrgyz people."Lukashenko was referring to an April 7 uprising that ousted Kyrgyz President Kurmanbek Bakiyev and killed at least 85 people in the Central Asian nation

Israel-Belarus Tourism Committee to Meet Tuesday-Apr/27/10

<http://www.israelnationalnews.com/News/Flash.aspx/185163>

The Joint Committee for promoting Israel-Belarus tourism is scheduled to meet Tuesday afternoon for the first time since last July's signing of a tourism agreement between the two countries. In addition to talking to Tourism Minister Stas Misezhnikov and his staff about ways to promote the industry, Belarus counterpart Sport and Tourism Minister Oleg Kachan and a delegation which arrived in Israel Sunday, will conduct meetings with representatives of the Sport, Tourism and Foreign Ministries during the course of the next few days, and take part in study days and professional tours around the country.

Economic Front

Belarus to overcome crisis consequences in 2010 – Pres-26.04.2010

<http://www.itar-tass.com/eng/level2.html?NewsID=15044119&PageNum=0>

MINSK, April 26 (Itar-Tass) - Belarus should fully overcome the negative consequences of the world financial and economic crisis this year, Belarusian President Alexander Lukashenko said in his annual address to the Belarusian nation and the National Assembly (parliament) of the country here on Tuesday. "This year we should fully overcome the consequences of the crisis and, as a minimum, should reach the pre-crisis development rate," he stressed. In his opinion, Belarus should come out of the crisis as a stronger and more competitive country. "We vitally need a qualitative breakthrough in the national economy," Lukashenko said

Social Front

Belarus Violating Workers' Rights-28 April 2010

<http://www.scoop.co.nz/stories/WO1004/S00539.htm>

Brussels-Although the government of Belarus is continuing to engage in widespread and significant violations of workers' rights, that has not stopped it organising a high-profile event with the UN Conference on Trade and Development (UNCTAD) on 27-28 April 2010 at the Palais des Nations in Geneva – Belarus Investment Days – aimed at attracting potential foreign investors to Belarus by enabling them to engage in meetings at the highest level with Belorussian officials. Indeed, the background document for the event prepared by UNCTAD concedes that there is a significant lack of compliance with the ILO's internationally recognised core labour standards and a lack of respect for the rule of law and contractual obligations in general.

Belarus holds communal elections, first under new voting law-Apr 25,

http://www.monstersandcritics.com/news/europe/news/article_1550833.php/Belarus-holds-communal-elections-first-under-new-voting-law

Minsk - Voters began going to the polls in communal elections in Belarus on Sunday in the first voting under new election laws adopted under pressure from the European Union. Results were expected on Monday from the voting, in which opponents of authoritarian President Alexander Lukashenko alleged that the changes to the election laws were 'merely cosmetic

Ukraine

Political Front

Medvedev Signs Law Extending Ukraine Naval Bases Lease –Agency

http://www.advfn.com/news_Medvedev-Signs-Law-Extending-Ukraine-Naval-Bases-Lease-Agency_42593782.html

Russian President Dmitry Medvedev has signed a law ratifying an agreement that extends Russia's lease on naval bases in Ukraine for 25 years after the previous lease agreement's expiration date in 2017, the Prime-Tass news agency reports, citing the presidential press service. Ukrainian President Viktor Yanukovich on Thursday also signed a law ratifying the agreement, Anna German, a Ukrainian presidential deputy chief of staff, said Thursday, the report says. Earlier this week, the agreement was ratified by the Ukrainian and Russian parliaments. Russian naval facilities in Ukraine, which were inherited from the Soviet Union, are located at the seaport of Sevastopol on Ukraine's Crimea Peninsula and in other areas. Putin proposes merging gas monopolies of Russia, Ukraine-Moscow, May 1,

<http://www.deccanherald.com/content/66940/putin-proposes-merging-gas-monopolies.html>

Ukraine was caught napping at Russian Prime Minister Vladimir Putin's proposal to merge the gas monopolies of the two countries, which have fought two 'gas wars' since the Soviet collapse affecting supplies to the EU countries in a harsh winter. Addressing a joint press conference after his yesterday's talks with the Ukrainian Prime Minister Mykola Azarov in the Russian Black Sea resort of Sochi, Putin proposed the merger of Russian energy giant Gazprom and Ukraine's state gas company Naftogaz. Azarov, who earlier agreed to the formation of a joint nuclear venture between Russia's Atomenergomash and Ukraine's Turboatom, was visibly surprised when Putin announced: "We are ready to do the same in the gas sphere. I have suggested merging Gazprom and Naftogaz." Azarov said he will go back to Kiev and think over the idea, which many in Ukraine see as the loss of the sovereignty. Ukrainian UNIAN news agency reported that this issue was not discussed during their meeting and this idea was an "impromptu move" on Putin's part. Ex-Ukrainian premier and opposition leader Yulia Tymoshenko, who lost this year's presidential poll to pro-Moscow candidate Viktor Yanukovych, said Russia is plotting to deprive Ukraine of sovereignty by proposing the merger

Armenians of Ukraine call on President to recognize Genocide-April 30, 2010

<http://www.panarmenian.net/eng/world/news/47905/>

On April 29, members of the National Congress of Armenians of Ukraine and Analitika.at.ua information and analytical center called on Ukrainian President and Supreme Rada to recognize the Armenian Genocide. Ukrainian public figures, politicians and representatives of national

communities put signatures to the statement. The Armenian Genocide (1915-23) was the deliberate and systematic destruction of the Armenian population of the Ottoman Empire during and just after World War I. It was characterized by massacres, and deportations involving forced marches under conditions designed to lead to the death of the deportees, with the total number of deaths reaching 1.5 million

Eggs fly in Ukrainian Parliament-April 29 (UPI)

http://www.upi.com/Odd_News/2010/04/29/Eggs-fly-in-Ukrainian-Parliament/UPI-34901272575751/

KIEV, Ukraine, -- Eggs were hurled during a rowdy Ukrainian parliamentary debate during the ratification of a Russian-Ukrainian naval base deal, an official said. Parliamentary Speaker Volodymyr Lytvyn said Thursday in Kiev the Ukrainian deputies who threw eggs at him and engaged in fistfights in the chamber will be required to pay for any damage, although, he said, "The moral and political damage cannot be compensated for," RIA Novosti reported.

Economic Front

Ukraine sees \$19 billion IMF credit agreed in June-Reuters-April 29, 2010

<http://www.washingtonpost.com/wp-dyn/content/article/2010/04/29/AR2010042901832>

KIEV (Reuters) - An International Monetary Fund mission will visit Ukraine next month for talks on a new credit program that the government hopes the Fund will agree to in June, Deputy Prime Minister Sergey Tigipko said on Thursday. Tigipko, speaking on his return from a week of talks in Washington with IMF officials, said Ukraine was seeking a \$19 billion program though he said the Fund had not given a firm answer on this. A senior IMF official said on Wednesday that the ex-Soviet republic needed to provide more detail on fiscal and financial reform plans before loose ends on a new multi-billion-dollar program could be tied up.

Ukraine Investigates Alleged \$290M Misuse by Tymoshenko Government-29 April 2010

<http://www.themoscowtimes.com/news/article/ukraine-investigates-alleged-290m-misuse-by-tymoshenko-government/405083.html>

KIEV — Ukraine's state prosecutor on Wednesday opened a criminal case relating to what it said was misuse by the government of Yulia Tymoshenko of about \$290 million cash received for selling carbon quotas. The prosecutor's office said in a statement that 2.3 billion hryvnas, received last year for selling carbon-emission rights under the Kyoto agreement, had been misused by the former Cabinet and the Finance Ministry. "As a result, a criminal case for violation of budget legislation and abuse of authority was launched," the statement said, without mentioning Tymoshenko by name. The action caused "serious consequences for Ukraine's state interests," it said.

Social Front

Ukrainian president pledges to work with Crimean Tatars

<http://www.todayszaman.com/tz-web/news-208764-104-ukrainian-president-pledges-to-work-with-crimean-tatars.html>

Ukrainian President Viktor Yanukovich has admitted that the government policy on Crimean Tatars had long been inadequate and vowed to address their grievances by setting up a national program. The admission comes at a critical time for Crimean Tatars, who fear their problems will be exacerbated by the election victory of Yanukovich, considered by many to be pro-Russian. Yanukovich has been overwhelmingly supported by Crimean Russians but opposed by the Tatars in the election campaign.

Abbas embargoes Israeli settlements

http://www.opendemocracy.net/opensecurity/security_briefings/270410

The Palestinian Authority has passed a ban forbidding the sale of settlement goods in the West Bank. According to the decree, violators will be prosecuted with punishments ranging from a \$14,000 fine to five-years' detention. The new provision also targets those Palestinians willing to work in the settlements with one to five year prison sentences. It is still not clear whether people currently working for the settlers are included as well in the law, but the Palestinian economics minister, Hassan Abu-Libdeh, guaranteed that they will not be punished. The law does not encompass all Israeli goods, which Palestinians heavily rely on for their subsistence.

Baltic States (Estonia, Latvia & Lithuania)

Estonia

Economic Front

Euro entry key for Baltic -Latvia PM

<http://www.iii.co.uk/news/?type=afxnews&articleid=7869033&action=article>

MUNICH, April 30 (Reuters) - Estonia's early acceptance into the euro zone is key for the stability of the Baltic region as a whole, Latvian Prime Minister Valdis Dombrovskis said on Friday. "We would like to highlight the importance of Estonia joining the euro zone at the earliest opportunity, for the economic recovery and stability of the whole Baltic region," Dombrovskis said in the text of a speech at the Munich Economic Summit. Estonia is widely expected to become the next, and 17th, country to adopt to euro. The European Central Bank is due to publish a status report on would-be joiners in mid-May that will feature its latest assessment of Estonia's credentials. In his speech, Dombrovskis raised concerns about recent talk of altering entry rules to the single currency bloc.

Estonia's 2-mth budget deficit at 0.98 pct of GDP

<http://www.iii.co.uk/news/?type=afxnews&articleid=7868883&subject=markets&action=a>

TALLINN, April 30 (Reuters) - Estonia's public sector budget deficit for the first two months of 2010 was in line with expectations at 2.1 billion kroons (\$179 million) or 0.98 per cent of projected annual GDP, the finance ministry said on Friday. Estonia's total public sector budget

deficit for 2010 is forecast to be 2.5 percent of gross domestic product (GDP), higher than 2009's deficit of 1.7 percent, but still under the 3 percent limit in the Maastricht criteria for euro zone membership. For the March quarter, the central government's budget deficit alone was 800 million kroons with revenue of 20.1 billion kroons or 23.8 percent of planned budget income and expenditure of 20.9 billion kroons or 22.9 percent of the budget costings

Estonia set to increase stake in Estonian Air

http://www.monstersandcritics.com/news/business/news/article_1551991.php/Estonia-set-to-increase-stake-in-Estonian-Air

Tallinn - The Estonian government is close to a deal that would see it buy a majority stake in national airline Estonian Air, Prime Minister Adrus Ansip confirmed Thursday. Speaking to journalists at a regular government press conference in Tallinn, Ansip said the deal to buy shares from Scandinavian airline SAS could cost between 200 million and 400 million kroons (12-25 million dollars).

German businesses back Baltic economic recovery-Apr 28, 2010,

http://www.monstersandcritics.com/news/business/news/article_1551606.php/German-businesses-back-Baltic-economic-recovery

Riga - German companies operating in the Baltic states of Estonia, Latvia and Lithuania said Wednesday they had 'cautiously optimistic' hopes that the recession-hit region was over the worst of the economic crisis. Presenting the German-Baltic Chamber of Commerce's annual business survey in the Latvian capital Riga, the organization's CEO Maren Diale-Schellschmidt said expectations of German companies in the Baltic States 'are definitely showing a clear upswing even though the economic crisis has not yet been overcome.'

Social Front

New Documents Reveal Truth on NATO's 'Most Damaging' Spy

For years, from his senior position in Estonia's Defense Ministry, Herman Simm leaked highly sensitive NATO intelligence and the names of Western spies to Russia's foreign intelligence service. In a classified damage analysis, NATO concludes that the former KGB colonel was one of the "most damaging" spies in the history of the alliance. Everyone thought Hermann Simm deserved to be honored. It was Monday, Feb. 6, 2006, and he was dressed in his best suit to attend the day's event. He had been invited to Estonia's presidential palace to accept the "Order of the White Star" for his "service to the Estonian nation." It was an ironic choice. It wasn't the only medal Simm received for his services that year. The other honor was one that he could only see on his computer screen, supposedly so as to not jeopardize his cover. Sergey Jakovlev, his handler with the SVR, Russia's foreign intelligence service, appeared on the screen to show him his medal. Jakovlev was also the one who informed Simm that he had been promoted to the rank of major general for having supplied Moscow with the names of all suspected and known Russians working as spies for NATO. Then-President Vladimir Putin was very impressed, Jakovlev told his best spy.

Latvia

Political Front

Latvia minority govt wins foreign minister vote

<http://www.iii.co.uk/news/?type=afxnews&articleid=7866568&subject=markets&action=article>

RIGA, April 29 (Reuters) - Latvia's minority government secured wide support from opposition legislators on Thursday to appoint a new foreign minister, giving a boost to Prime Minister Valdis Dombrovskis ahead of an election in October. Dombrovskis was left with a minority government after the former largest ruling coalition party quit the government in March to distance itself from austerity measures under Latvia's IMF-led 7.5 billion euro bailout. Parliament backed Foreign Minister Aivis Ronis, a seasoned diplomat, by 90 votes in the 100-seat house. "We see Mr. Ronis had firm support from members of parliament ... that will allow us to ensure the stability of our foreign policy course," Dombrovskis told Reuters. Since regaining independence from the Soviet Union in 1991, Latvia has steadily pursued a policy of building ties with the West. In 2004, it joined the European Union and NATO. Ronis is a former ambassador to the United States and to NATO. He is also the Baltic states' representative on a panel drawing up a new strategic concept for the military alliance.

Economic Front

The diverging fortunes of euro unemployment-April 30, 2010

<http://blogs.ft.com/money-supply/2010/04/30/the-diverging-fortunes-of-euro-unemployment/>

So this is what 'no change' looks like: 123,000 more people unemployed in just one month. Most European unemployment rates rose last month, but the headline figure remained at 10 per cent because of falling unemployment rates and large populations in a handful of countries. Latvia is still suffering terribly, with unemployment rising to 22.3 per cent from 21.6 per cent in a single month. Inflation is a better picture, with levels mostly close to target and almost all trends looking healthier. Slovakia and Estonia have pulled themselves out of deflation for the first time in months; Irish deflation is steady; and even Latvia's deflation has tempered a little, from 4.3 to 4 per cent. Greece, and perhaps surprisingly, Norway, are experiencing steady-ish rises to 3.9 and 3.6 per cent, respectively.

From Latvia to Greece-The IMF's Road to Ruin

<http://www.counterpunch.org/weisbrot04302010.html>

Latvia has experienced the worst two-year economic downturn on record, losing more than 25 percent of GDP. It is projected to shrink further during the first half of this year, before beginning a slow recovery, in which the International Monetary Fund (IMF) projects that it will not reach even its 2006 level of output by 2015 – nine years later. With 22 percent unemployment, a sharp increase in emigration and cuts to education funding that will cause long-term damage, the social costs of this trajectory are also high.

Devaluation not efficient tactic for Latvia-PM

<http://www.iii.co.uk/news/?type=afxnews&articleid=7869177&subject=markets&action=article>

MUNICH, April 30 (Reuters) - A devaluation of Latvia's currency would provide only a short-lived benefit and would not be the most efficient tactic for the country, Prime Minister Valdis Dombrovskis said on Friday. "The competitiveness gain (from devaluation) would be very little and very short lived because important energy prices would immediately rise," Dombrovskis said during a panel discussion at the Munich Economic Summit. Latvia has pegged the lat to the euro and refused to devalue despite a contraction in the economy last year of 18 percent and soaring unemployment. Some economists said a devaluation would have taken some of the pain off the downturn by helping improve external competitiveness and boosting exports.

Social Front

Scientists say recession may spark Baltic TB surge

<http://uk.reuters.com/article/idUKTRE63R4LX20100428?rpc=401&feedType=RSS&feedName=healthNews&rpc=401>

Researchers who studied the effects of recession on rates of the highly infectious disease during the fall of the Soviet Union in the early 1990s found a strong link between the two and said their findings suggest a similar pattern could emerge now. "Put simply, there's a lot less money around for spending on public health," said Nimalan Arinaminpathy of Britain's Oxford University, who led the study. Tuberculosis, which is caused by the Mycobacterium tuberculosis bacteria, is one of three primary diseases linked to poverty, the other two being AIDS and malaria. The scientists designed models based on economic figures and tuberculosis data and predicted that Latvia, Estonia and Lithuania could see TB increases in the coming years

Lithuania

Political Front

Lithuanian premier suspicious of Russia and Belarus nuclear plans-Apr 27, 2010,

http://www.monstersandcritics.com/news/europe/news/article_1551314.php/Lithuanian-premier-suspicious-of-Russia-and-Belarus-nuclear-plans

Vilnius - Lithuanian Prime Minister Andrius Kubilius expressed concern Tuesday over plans by Russia and Belarus to build nuclear power plants close to his country's borders, while insisting that Lithuania's own plans for a nuclear facility will go ahead. 'We are quite concerned about the plans in Russia and Belarus,' Kubilius said while speaking on Lithuanian national radio. 'If they were to be constructed, we would face considerable environmental challenges.'

Economic Front

Lithuania's economy shrinks in first quarter

<http://www.iii.co.uk/news/?type=afxnews&articleid=7863992&subject=markets&action=article>

VILNIUS, April 28 (Reuters) - Lithuania's economy shrank in the first quarter, after growing for the last two quarters of 2009, but the fall on an annual basis was less than expected, data showed on Wednesday, boosting analysts' optimism. In the first quarter the economy shrank a seasonally adjusted 4.1 percent quarter on quarter, while growth in the fourth quarter of 2009 was raised to 1.3 percent from 0.5 percent previously, the statistics office said in a statement. The economy contracted 2.9 percent year on year in the first quarter, less than a median forecast of -4.5 percent in a Reuters survey of seven analysts. Lithuania, like its neighbours Latvia and Estonia, is emerging from one of the worst recessions in the European Union. This has helped top Swedish banks like Swedbank and SEB to cut Baltic loan losses and provisions. But Lithuanian and Baltic growth is dependent on external demand as domestic consumption is set to be weak after unemployment jumped.

Social Front

WWII Russian Victory day to be celebrated in a parade in Vilnius

http://www.alfa.lt/straipsnis/10354755/?WWII.Russian.Victory.day.to.be.celebrated.in.a.parade.in.Vilnius=2010-04-30_11-48

World War II veterans will celebrate May 9, the Russian Victory day, in a parade in Vilnius. The Vilnius municipal government gave permission for the World War II veterans' parade on May 9, while Klaipeda did not give permission for a similar event, Baltic News Service has reported. The participants of the parade, commemorating the 65th anniversary of the end of the WWII and the memory of veterans, will hold their rally in the morning of May 9 in T. Vrublevskio street in central Vilnius.

Lithuania's white gold-2010-05-01

<http://www.alfa.lt/katalogas/AlfaEnglish>

As economic integration between the Nordic and Baltic states proceeds in the wake of the Baltic State's accession to the EU in 2004, the virtual flooding of the Nordic state's black markets with cheap amphetamine, often produced in underground labs located in Lithuania, continues unabated. Although Lithuanian producers are far from the only suppliers of amphetamine and other synthetic drugs to the Nordic markets, their shares of the market have nevertheless increased rapidly during the last decade.

Russia

Political Front

Putin hails Russia-Ukraine relation breakthrough-1 May 2010

<http://www.focus-fen.net/?id=n218321>

Moscow. The relationship between Russia and Ukraine achieved "a breakthrough", said Russian Prime Minister Vladimir Putin on Friday, Xinhua News Agency informed. "In fact, we have achieved a breakthrough in the bilateral relations and have created political and economic conditions for a real strategic partnership," he was quoted by Itar-Tass news agency as saying after the meeting of the Russia-Ukraine Interstate Commission's Economic Cooperation Committee. The latest gas-for-fleet agreement signed by the Presidents of Russia and Ukraine would help Ukraine acquire additional energy resources and investments for its development and recovery from the global crisis, Putin said.

Turkey, Brazil brokering Iran nuclear deal- Reuters/Vladimir Soldatkin

UNITED NATIONS (Reuters) - Turkey and Brazil are trying to revive a stalled atomic fuel deal with Iran in an attempt to help the Islamic Republic avoid new U.N. sanctions over its nuclear program, Western diplomats said on Friday. China and Russia -- which reluctantly joined the United States, Britain, France and Germany in negotiating a draft resolution that would impose a fourth round of U.N. sanctions on Tehran -- are ready to give the Brazilians and Turks the time they need to broker a deal, U.N. diplomats said. Western diplomats made clear they were not happy about a development that will likely delay a U.N. sanctions vote in New York. Washington had hoped to have a final draft ready ahead of a May 3-28 meeting on the nuclear Non-Proliferation Treaty, but diplomats say negotiations could run into June at least.

Anger in Kiev at Putin gas merger proposal-April 30

<http://www.ft.com/cms/s/0/6eb93088-5462-11df-b75d-00144feab49a.html>

Vladimir Putin has proposed the merger of Gazprom, the Russian state gas company, with Naftogaz, the Ukrainian state energy company, as part of its efforts to reintegrate the former Soviet republic's economy following the election of Viktor Yanukovich, the pro-Moscow president. Moscow has been moving quickly to try to seize the "commanding heights" of Ukraine's economy since the west-leaning Viktor Yushchenko was defeated in elections in February. Friday's merger offer took the Ukrainian side by surprise and prompted the pro-western opposition to condemn it as an attempt effectively to take economic control of its former Soviet vassal

Moscow removes Stalin posters in gesture towards Poland?-30.04.2010

http://www.thenews.pl/international/artykul130696_moscow-removes-stalin-posters-in-gesture-towards-poland-.html

A Russian newspaper reports that a decision by Moscow's local government to remove posters of Stalin is a gesture heralding the recent thaw in Russian-Polish relations. Wiedomosti writes that posters depicting Russia's dictator Joseph Stalin appeared on the streets of Moscow for the 65 anniversary of the victory of the Allies over Nazi Germany during II WW. In Russia many associate the victory with the Soviet dictator. "Now that Moscow is awaiting NATO officials, European and American soldiers who are going to march on Red Square side by side with Russian troops, posters of Stalin are completely out of place at a time of Polish-Russian reconciliation," writes the Russian daily.

Arctic border deal may extend Norway's oil boom-Apr 16, 2010

<http://uk.reuters.com/article/idUKTRE63T1IP20100430?rpc=401&feedType=RSS&feedName=GCA-GreenBusinessUK&rpc=401>

OSLO (Reuters) - A major Arctic border deal between Norway and Russia this week gives Norwegian Prime Minister Jens Stoltenberg a chance to extend Norway's oil boom without splitting the ruling government coalition. The deal makes the area into the new focal point for hopes of growth in Norway's oil industry. Norway's oil production has slumped by more than 50 percent since its peak early in the last decade to some 2 million barrels a day, as output from aging North Sea oilfields fell faster than expected

Economic Front

Russian bank balances rise to 513.9 bln rbls

<http://www.iii.co.uk/news/?type=afxnews&articleid=7868754&subject=economic&action=article>

MOSCOW, April 30 (Reuters) - Banks' balances in their correspondent accounts at the Russian central bank rose to 513.9 billion roubles on Friday from 469.2 billion roubles in the previous session, the central bank said.

All figures are in billions of roubles

BALANCES	April 30	April 29
Total	513.9	469.2
Moscow region	338.1	305.7
Banks' deposits at the central bank	536.3	556.6

Russia 1Q GDP Rises 4.5% From Year Earlier - Economy Ministry

http://www.advfn.com/news_Russia-1Q-GDP-Rises-4-5-From-Year-Earlier-Economy-Ministry_42562353.html

MOSCOW-Russia's economy grew 4.5% year-on-year in the first quarter of 2010 compared with the corresponding period a year earlier, the Economy Ministry said Wednesday. Seasonally adjusted gross domestic product grew by 0.6% quarter-on-quarter, it added. For 2010 as a whole, gross domestic product is expected to grow by 4%, Finance Minister Alexei Kudrin said earlier this month. Russia is rebounding from its first recession in a decade, which saw the economy shrink by 7.9% in 2009

Social Front

Money-laundering ring broken in Russia

http://www.upi.com/Top_News/International/2010/04/30/Money-laundering-ring-broken-in-Russia/UPI-53031272666073/

MOSCOW, April 30 (UPI) -- A \$9 billion money-laundering operation partly run by several Russian bank employees has been broken up by police, the Russian Interior Ministry said. Four Azerbaijani nationals were detained by police, accused of being involved in the operation laundering about \$3 billion a year since 2008, RIA Novosti said Friday. The currency was suspected to have been generated from illegal business operations, transferred to foreign outlets and smuggled back into Russia, the news agency said.

Thousands to rally in Moscow for May Day Reuters-May 1, 2010, 8:00 pm

<http://nz.news.yahoo.com/a/-/world/7143222/thousands-to-rally-in-moscow-for-may-day/>

MOSCOW (Reuters) - Tens of thousands of Russian Communists, nationalists and supporters of Prime Minister Vladimir Putin's ruling party prepared to rally on Saturday across Moscow to mark May Day. Around 40,000 demonstrators are expected in Moscow despite drizzle and overcast skies, and Russian media reports put the nationwide total at around 1.7 million, from the Far East on the Pacific Ocean to the Baltic exclave of Kaliningrad. Russia's Communist Party, the country's second biggest party, cherish May 1 -- known as International Workers Day in the Soviet era -- and large crowds of mostly pensioners are expected to hoist red banners and march through the capital.

Putin Helps Scientists Track Polar Bears In Russia's Arctic

http://www.huffingtonpost.com/2010/04/30/putin-helps-scientists-tr_n_558592.html

MOSCOW -- Prime Minister Vladimir Putin played the eco-warrior in Russia's Arctic on Thursday, helping scientists track endangered polar bears and calling for a cleanup of the region. Putin traveled to Franz Josef Land, an archipelago in the Arctic Ocean off the northwest coast of Russia's mainland in his latest display of adventuring prowess to highlight the country's guardianship of the resource-rich region.