

**PROJECT ON BUSINESS AND POLITICS IN THE
MUSLIM WORLD**

Weekly Presentation: May 26, 2010

By: (Ilam Khan)

Period: From May 15-22, 2010

This is the summary of the (Russia)

Contents:

Note: Review of the Article for week# 120.....at the end of the report.

Report Summary.....02

Russia

Political Issues:.....09

- There no talks on Gazprom, Naftogaz merger, but assets consolidation possible – Medvedev
- Ukraine court bans opposition rally during Russian president's visit
- Medvedev Replaces 2 Governors
- Sun Can't Keep Some Russians in Kyrgyzstan
- U.S., Russia, China agree on new UN Security Council resolution on Iran – Clinton
- Russia, Ukraine to clear the legacy of past 5 years - Medvedev
- Four seized for unauthorized rally attempt near Iranian embassy in Moscow
- Russia concerned about unilateral U.S., EU sanctions against Iran
- White House Presses Senate to Approve Russia Arms Pact

Economic Issues:.....15

- Putin Calls for Budget Reforms Over 3 Years
- Finance Ministry Plans to Curtail Foreign Debt Sales
- [\\$15Bln Plan to Build 5 Ski Resorts in Caucasus](#)
- Medvedev refuses to rule out Central Asia-Russia-Ukraine gas transit
- Russia positive on technology cooperation with Ukraine
- Bank of Russia Releases Largest Gold Coin Worth \$200,000
- Russia may share economic situation of most countries 2011- Kudrin
- Russian finance minister says global crisis is not yet over

Social/Humanitarian:.....20

- Medvedev Orders Olympic Security Tightened
- Somalia Calls for Russian Explanation on Pirates
- 5 Killed in Attack on Cell Phone Workers
- House of Swedish cartoonist depicted Prophet Mohammed attacked by arsonists
- Russian border guards seize large batch of illegal Chinese imports
- [Winds of Change Can't Blow Stalin Away](#)

- European justice and the sin of hypocrisy
 - Under pro-Russian president Ukrainian authorities kidnap Chechen refugees and extradite to death to Russia
 - Russia saw 100,000 crimes against children in 2009 – official
 - Official: U.S.-Russia adoption agreement to be finalized by Friday
- Food/ Environment& Energy.....28**
- Baby Hospitalized in Rare Polio Case
 - Quake measuring 4.5 hits Russia's Kamchatka
 - Russian coalmine chief faces criminal charges
 - Hunger strikers at Altrak factory agree to stop job action
 - Some 84 injured in Rapsadskaya mine blasts remain at hospitals
 - Medvedev 'aware' of Khodorkovsky's hunger strike
 - Russia 1st Q retail food prices decrease – official
- Geo-Strategic:.....31**
- U.S. Senate to Consider New START Next Week
 - Israel criticizes Russia's plans to supply arms to Syria
 - Court bans Russian air traffic controllers from going on strike
 - Russia, Ukraine fail to agree on maritime border demarcation
 - Russia's new research module successfully latched on ISS
 - [NATO contemplates a broader mission](#)
 - Mottaki says Iran to pursue nuclear program despite UN sanctions
 - Russian warships complete drills in Sea of Japan
 - Russia To Design New Long-Range Strategic Bomber

Summary of the Report:

Political Issues:

There no talks on Gazprom, Naftogaz merger, but assets consolidation possible – Medvedev

Russian Prime Minister Vladimir Putin first put forward the idea of a Gazprom-Naftogaz merger at the end of April, after Moscow and Kiev agreed an extension to Russia's lease on a key naval base in Ukraine in exchange for discounted prices for Russian gas. The Russian government's press service later said Moscow was not proposing a takeover but the creation of a new company.

Ukraine court bans opposition rally during Russian president's visit

The ban applies to the All-Ukrainian Union "Freedom" and the "For Ukraine Party" whose representatives earlier announced their readiness to hold protest actions on Monday when Medvedev starts his visit to Ukraine.

Medvedev Replaces 2 Governors

Rostov-born Vasily Golubev, 53, a Moscow region district head, is set to replace Vladimir Chub, who has led the Rostov region for almost 20 years. Yury Berg, 56, mayor of Orsk, a town in the Orenburg region, has been named to replace Alexei Chernyshev, who has served as Orenburg governor for more than 10 years. Both candidacies have been submitted to the regions' legislatures for confirmation

Sun Can't Keep Some Russians in Kyrgyzstan

The sun brought some Russians to Kyrgyzstan during Soviet times. Soviet dictator Josef Stalin exiled many others here as well. But now some members of the dwindling ethnic Russian community are looking to leave after witnessing two violent uprisings in five years, the most recent last month when anti-government protests turned violent and police opened fire on demonstrators outside the presidential palace. At least 85 people died in the shootings and the violence that followed.

U.S., Russia, China agree on new UN Security Council resolution on Iran – Clinton

The United States, Russia and China have agreed on a new United Nations Security Council resolution on Iran, U.S. Secretary of State Hillary Clinton said on Tuesday. Clinton said at hearings at the U.S. Senate on the ratification of the new START treaty that an agreement on a resolution on Iran has been reached between the U.S., Russia and China.

Russia, Ukraine to clear the legacy of past 5 years – Medvedev

Russia is ranked fourth in investments in Ukraine's economy. "It may become investor number one not only for geopolitical reasons, but because we have close economies and because we have close ties." As of the beginning of the current year, Russian investments in Ukraine's economy were 2.7 billion dollars, he said.

Four seized for unauthorized rally attempt near Iranian embassy in Moscow

The police did not identify the political belonging of the young men. Meanwhile, some media outlets reported that members of the outlawed National Bolshevik Party tried to hold the rally.

Russia concerned about unilateral U.S., EU sanctions against Iran

U.S. Secretary of State Hillary Clinton said on Tuesday that Washington, Moscow and Beijing have come to an agreement on a new Security Council resolution, thought to impose another set of sanctions against the Islamic Republic. She also said the U.S. would push for the soonest possible adoption of the new resolution.

White House Presses Senate to Approve Russia Arms Pact

As [President Obama](#)'s national security team assured the Senate that the so-called New Start treaty would not compromise American security, Senator [Richard G. Lugar](#) of Indiana, the ranking Republican on the Foreign Relations Committee, offered his support and warned that failing to ratify it would be an "extremely precarious strategy."

Economic Issues:

Putin Calls for Budget Reforms Over 3 Years

Despite calls by deficit hawks such as Finance Minister [Alexei Kudrin](#) to lower social spending as government revenues plunged in 2009, the government maintained its levels of welfare spending by dipping deep into the Reserve Fund, where the government had saved some of its windfall oil revenues over the past decade.

Finance Ministry Plans to Curtail Foreign Debt Sales

Russia raised \$5.5 billion in its first eurobond in over a decade last month, with the oversubscribed issue showing how far it has come since the 1998 domestic debt default. As well as plugging a post-recession budget deficit, the placement was intended to improve borrowing conditions for Russian corporates.

[\\$15Bln Plan to Build 5 Ski Resorts in Caucasus](#)

The price tag for the resorts will top 450 billion rubles (\$14.9 billion), and they will be built in Matlas, Dagestan; Mamison, North Ossetia; Arkhyz, Karachayevo-Cherkessia; Lago-Naki, Adygeya; and on Mount Elbrus in Kabardino-Balkaria; Murzagulov said. The resorts could face an uphill battle attracting tourists reluctant to visit a region plagued by near-daily insurgent attacks.

Medvedev refuses to rule out Central Asia-Russia-Ukraine gas transit

Ukraine purchased gas directly from Turkmenistan up to 2006. Deliveries were then handled by the Rosukrenergo company until it was squeezed out of the Ukrainian market by the efforts of then-Ukrainian premier Yulia Tymoshenko. Ukraine currently only buys Russian gas.

Russia positive on technology cooperation with Ukraine

Russia is currently constructing a high-tech business park in Skolkovo near Moscow. Medvedev said there might be a possibility of uniting the park with similar projects in Ukraine.

Bank of Russia Releases Largest Gold Coin Worth \$200,000

The Bank of Russia will release only 50 of such coins. Twenty-five of them have already been made. Mr. Luntovsky added that the interest to special gold coins this year was lower than before. However, the bank expects an increase of interest in its new release after prices on gold started growing again.

Russia may share economic situation of most countries 2011- Kudrin

“Our production per capita is twice less than in other countries, and we have an imperfect structure of the economy, state governance, agriculture, industry or services,” he said. “The very environment is imperfect. Other countries with well-developed environment

will find it easier to revive their economies. Our dependence on natural resources worsens the situation. This is a most volatile sector of the world economy. Prices may change twice a month sometimes.”

Russian finance minister says global crisis is not yet over

According to Kudrin, such situation is fraught with throwbacks in separate countries. The crisis, Kudrin said, was provoked by globalisation, which made world nations dependent on each other. “Now we are living through a new stage of the system development, with changing management methods.

Social:

Medvedev Orders Olympic Security Tightened

Sochi, hosting the ice-based Olympic events, and Krasnaya Polyana, 50 kilometers inland where the snow sports will be held, are close to Chechnya, Ingushetia and Dagestan, where attacks by militants fueled by poverty and the ideology of global jihadism are a near-daily occurrence.

Somalia Calls for Russian Explanation on Pirates

Some Somali pirates, meanwhile, vowed revenge on Russian sailors. Russian forces stormed a hijacked oil tanker in a rescue operation that killed one pirate earlier this month. The Defense Ministry said 10 others arrested were later set loose aboard one of the small vessels they used in the attack. It said they were stripped of their weapons and navigation equipment.

5 Killed in Attack on Cell Phone Workers

Earlier it had been reported that at least eight people had been killed. A bomb blast hit a police-escorted vehicle carrying the workers sent to fix a communications tower that had been damaged in a sabotage attack overnight, the Prosecutor General's Office said.

House of Swedish cartoonist depicted Prophet Mohammed attacked by arsonists

Vilks told the media a man leaped from the front row and head-butted him as he was delivering his speech, breaking Vilks' glasses but leaving him uninjured. Two people were arrested but it wasn't immediately clear whether the attacker was among them.

Russian border guards seize large batch of illegal Chinese imports

The batch, the largest in the past five years, was hidden under the bags with onions and comprised men's, women's and children's clothes. The clothes were transported by three Kamaz trucks.

[Winds of Change Can't Blow Stalin Away](#)

Russia's leaders have finally rejected the Stalinist legacy in an outspoken and unanimous way. But the sharp ideological turn may just be an attempt to appease the West and may bear little influence on domestic policy, analysts said.

European justice and the sin of hypocrisy

On May 27, 1944, Kononov and a group of other partisans killed nine residents of the Mazie Bati (Malye Baty) village suspected of collaboration with Nazis. Kononov spent nearly two years in a Latvian jail from 1998 to 2000 on charges of genocide.

In 2008, the European Court of Human Rights ruled that Latvia violated the European Convention on Human Rights because the villagers' murder was not a crime under Soviet or international law at the time it was committed. The court referred to Article 7 of the European Convention on Human Rights, which prohibits retroactive punishment for crimes.

Under pro-Russian president Ukrainian authorities kidnap Chechen refugees and extradite to death to Russia

According to the Ukrainian opposition portal [Maidan](#) dated May 17, for some time, the authorities that be states are paying with their Russian counterparts by Chechen refugees. Here is the latest example.

Russia saw 100,000 crimes against children in 2009 – official

"More than 100,000 crimes against children were committed in our country in 2009. Two thousand children were killed, just as many died in road accidents and a little more than 2,000 as a result of other accidents," Pavel Astakhov said during a visit to the North Caucasus republic of Karachai-Circassia.

Official: U.S.-Russia adoption agreement to be finalized by Friday

After it is finalized, the agreement will be forwarded to the Russian Health and Education ministries and the Cabinet of Ministers, said the commissioner, Pavel Astakhov. If approved by the Cabinet, a signing date will be scheduled, he said. The final copy would be signed by Russia's Education Ministry and the U.S. State Department or Department of Justice, he said.

Food/ Environment& Energy

Baby Hospitalized in Rare Polio Case

A 9-month-old girl from Tajikistan has been hospitalized in Moscow with polio as a Tajik outbreak reached the Russian capital, top government doctor Gennady Onishchenko said Thursday. The baby and her parents arrived in Moscow on April 26 on a flight from the Tajik capital, Dushanbe, Interfax reported.

Quake measuring 4.5 hits Russia's Kamchatka

Scientists believe that areas which make the Pacific seismic zone, including Russia's Far Eastern territories of Kamchatka and Chukotka, the U.S. state of Alaska and coastal regions in South America, had entered a period of increased seismic activity following the 9.3-magnitude Indian Ocean earthquake in 2004.

Russian coalmine chief faces criminal charges

Igor Volkov, the head of the Rospadskaya mine, resigned earlier on Tuesday, a day after he was severely criticized by Russia's prime minister. Vladimir Putin said Monday Russia's industrial safety regulator had sought Volkov's resignation last year over "numerous violations."

Hunger strikers at Altrak factory agree to stop job action

The understanding was reached at a meeting between workers whose wage arrears edge up on 100 million roubles, and representatives of Altrak owners in Rubtsovsk. The sides now are to sign a contract which will clearly record deadlines for paying debts.

Some 84 injured in Rospadskaya mine blasts remain at hospitals

Some 84 people injured in the methane blasts at the Rospadskaya coalmine remain at the hospitals, 46 people passed outpatient treatment, three people were discharged from hospitals. The Ministry of Health and Social Development told Itar-Tass about the number of injured people as of 12.00 Moscow time on Tuesday.

Medvedev 'aware' of Khodorkovsky's hunger strike

Once Russia's richest man sent a letter to the head of the Supreme Court, Vyacheslav Lebedev, saying his hunger strike, which he began on Monday, would continue until Medvedev was told what was going on.

Russia 1st Q retail food prices decrease – official

"In the first quarter of this year, prices of a number of foodstuffs decreased, such as bread, grains, beans, sugar, butter, and vegetable oil compared with the same period of 2009, while meat prices remained at the level of December 2009," Zubkov said at a working meeting with Prime Minister Vladimir Putin on Tuesday.

Geo-Strategic:

U.S. Senate to Consider New START Next Week

The Democratic chairman of the Foreign Relations Committee, Senator [John Kerry](#), and the committee's top Republican, [Richard Lugar](#), said they looked forward to "shepherding it through the ratification process."

Israel criticizes Russia's plans to supply arms to Syria

Israeli FM said the regime of Syrian President Bashar al-Assad was not interested in peace, and called "naive" anyone who believed Syria would be ready "to cut ties with Iran and Lebanon's Hezbollah militia" in exchange for a return of the Golan Heights, occupied during the 1967 Six Day War by Israel.

Court bans Russian air traffic controllers from going on strike

The protest started in April and by the end of the month staff at 55 air traffic management centers were involved. Rather than stopping work, the controllers are on hunger strike, reportedly consuming less food when not on the job.

Russia, Ukraine fail to agree on maritime border demarcation

"This time, we failed to come to an agreement on this decision because there was not much time. But we will continue working on this issue and I think that we will come to a decision in the near future," Ukrainian president Viktor Yanukovich said after talks with his Russian counterpart Dmitry Medvedev.

Russia's new research module successfully latched on ISS

The almost-five-tonnes research unit with the length of six meters and the cost of about \$200 million was brought to orbit by the U.S. Atlantis space shuttle. It was attached to the ISS with robotic arms of the space shuttle and the station. There was no spacewalk to facilitate the operation.

NATO contemplates a broader mission

Eleven years ago, few people other than south-Asia watchers had any idea what the Taliban was, much less could have imagined why more than 100,000 soldiers would be needed to fight it. At that time, the world's premier military alliance, NATO, had never fought a ground war, operated outside of Europe, or invoked its Article 5 collective-defense clause. But Sept. 11, 2001 changed everything for the alliance. Well, almost everything.

Mottaki says Iran to pursue nuclear program despite UN sanctions

The veto-wielding members of the UN Security Council - the United States, Britain, France, China and Russia - discussed on Tuesday a draft resolution expanding sanctions against Iran. The measures foresee the expansion of the existing arms embargo to include more types of heavy weapons, the introduction of a ban on Iranian bank operations abroad, and the inspection of Iranian ships by international experts.

Russian warships complete drills in Sea of Japan

The two vessels are due to arrive in Russia's Far Eastern port of Vladivostok in June-July to take part in the Vostok-2010 large-scale strategic exercise. The exact date of the drills is yet to be announced.

Russia To Design New Long-Range Strategic Bomber

The decision to start the development of a new strategic bomber for the Russian Air Force, the so-called perspective long-range aviation complex, has been made. Russia's Vice Prime Minister Sergey Ivanov officially confirmed the rumors about it when he answered a question during a meeting with Russian reporters in Washington. "It has been decided. I am saying this openly, clearly and loudly," the official said.

Detailed Report:

Political:

There no talks on Gazprom, Naftogaz merger, but assets consolidation possible – Medvedev

Russian President Dmitry Medvedev said Russia and Ukraine were not talking about Russia's energy giant Gazprom and Ukrainian Naftogaz merger, however consolidation of some assets is possible.

Medvedev said a simple merger may be problematic both for Russia's Ukrainian partners and for work generally. "But if we talk about some kind of joint projects, joint enterprises where different gas and gas transportation assets were consolidated not in a way of a direct merger, but in a way of consolidation, for example, of separate parts, then, I think, this would be possible," Medvedev said adding that such consolidation would be beneficial for both countries.

Medvedev said he had not yet discussed the issue with his Ukrainian counterpart Viktor Yanukovych, however he is intended to do so.

Russian president said any kind of merger is possible only on pragmatic bases. "Whatever sympathy we have towards each other, whatever love we feel, we can consolidate only basing on purely pragmatic considerations," Medvedev said. "But alliances are not only possible, but also are necessary in some situations."

Medvedev is due in Ukraine on May 17 for his second visit since Viktor Yanukovych was elected president in February. The Ukrainian president has twice visited Russia as the two former Soviet neighbors have remade their relations over the past three months.

Ukraine court bans opposition rally during Russian president's visit

A Kiev court on Sunday banned two opposition parties from holding rallies in the center of the Ukrainian capital on May 17, during the arrival of Russian President Dmitry Medvedev in Ukraine.

The ban has been imposed to "avoid any confrontation between representatives of different political views, considering the previous experience of providing public security during similar actions, and also conflicts with police that may lead to a sharp deterioration of the situation and mass disorders," the court's press office said.

The Freedom union said the court ruling was unfounded and it would challenge the decision.

The Ukraine opposition earlier claimed that the Ukrainian government was preparing secret deals with Russia.

Former Ukrainian prime minister and opposition leader Yulia Tymoshenko has demanded that all documents be published. She said Russia's proposal to merge Russian energy giant Gazprom and the Ukrainian gas monopoly Naftogaz was depriving her country of its sovereignty.

The merger proposal came just days after Russia and Ukraine signed a landmark agreement to extend Russia's use of the Black Sea Fleet's main base in the Crimean port of Sevastopol for 25 years beyond its original 2017 expiration. In return, Ukraine received an immediate discount on Russian natural gas.

The gas-for-fleet deal was severely criticized by the Ukrainian opposition which staged protests inside and outside of the Ukrainian parliament during the ratification of the deal.

The Ukrainian opposition considers the presence of the Russian Navy in Crimea a threat to the country's national sovereignty and integrity. A larger part of the Ukrainian population considers the extension of the lease a catalyst for mutually beneficial cooperation between Kiev and Moscow.

Medvedev Replaces 2 Governors

18 May 2010

The Moscow Times

President [Dmitry Medvedev](#) has decided to replace the governors of Rostov and Orenburg with unexpected candidates who promise to add to his political weight but could rattle the regions, the Kremlin said on its web site Saturday.

Medvedev is flexing his political muscles by replacing long-serving governors with the little-known nominees, said Alexander Kynev, an independent political analyst.

But because Golubev and Berg have little ties to local elites, their appointments could lead to a significant reshuffle of the local administrations and a redistribution of economic clout in the regions, Kynev said.

Sun Can't Keep Some Russians in Kyrgyzstan

18 May 2010

By Nikolaus von Twickel

BISHKEK, Kyrgyzstan — If the Soviet Union ever had a Sun Belt like the United States, then this small Central Asian republic would definitely be part of it.

The climate in the Kyrgyz capital, Bishkek, offers moderately hot summers and mild winters. The city is nestled amid green pastures just in front of the towering snow-peaked Tian Shan Mountains.

Dasha Goncharova, 26, who works as a waitress in one of the capital's hotels, said she plans to leave the country of her birth and move with her family to the city of Lipetsk, about 400 kilometers south of Moscow.

"We decided to move because many of my relatives are there already. We feel that it will be safer for us," she said.

Many other Russians and members of other ethnic minorities interviewed in Bishkek recently expressed worries about the future, including with regard to the 40-day mourning ceremonies held Monday for those killed in the April 7-8 uprising.

While the day passed quietly, with interim Kyrgyz leader [Roza Otunbayeva](#) laying flowers at a stone commemorating the uprising's dead, the country saw a new wave of violence late last week when supporters of ousted President [Kurmanbek Bakiyev](#) seized control of government buildings in three southern regions. Bakiyev has fled to Belarus,

and the country is now being run by the interim government formed by members of the hitherto divided opposition.

"We all fear that things will get unstable again," said Tamara Aliyeva, who was selling candy out of a truck from a local confectionary factory.

Aliyeva, whose parents were Azeri and Meskhetian, a Turkic group deported from Georgia under Stalin, said she had nowhere to go. "I was born here, and I will stay here," she said. "Hope dies last."

Despite the widespread unease, this sentiment was shared by others in Bishkek.

Sasha Shmakov, a computer science student, said that while many of his ethnic Russian friends had left or were planning to move, he had no such plans.

"I also wanted to leave, but you need to have a place where you can go to," he said, adding that he is the only ethnic non-Kyrgyz in his university class.

Speaking to a reporter while waiting for the city's central department store to open, Shmakov, 18, pointed to the blue sky and birds singing in the sun. "In principle, life is not bad here," he said.

The number of Russians in Kyrgyzstan dropped from 21.5 percent of [the population in 1989](#) to just 8.4 percent in 2009, according to official statistics. The exodus was strongest during the 1990s but continued through the last decade, when [numbers dropped](#) from about 600,000 in 1999 to 440,000 last year.

Yet Bishkek remains a largely Russian-speaking city, and ethnic Russians notably continue to hold most management positions in private-sector companies.

The [new constitution](#) proposed by the interim government also grants privileges to the Russian language, making it an "official language," while Kyrgyz is the state language.

Mikhail Mikhailovich, a businessman who would only give his first name and patronymic, said it was deplorable that no one felt responsible for the country's ethnic Russians. "All sorts of minute nationalities have their organized community, but the Russians have nothing," he said.

Speaking in an outdoor cafe in one of Bishkek's numerous leafy parks, Mikhail said he was not afraid of the future.

"We lived through the Soviet period and the lawless 1990s. We lived through [President Askar] Akayev's government, survived its downfall and the Tulip Revolution. We lived through Bakiyev and this latest violence. Why leave now?" he asked.

U.S., Russia, China agree on new UN Security Council resolution on Iran – Clinton

The United States, Russia and China have agreed on a new United Nations Security Council resolution on Iran, U.S. Secretary of State Hillary Clinton said on Tuesday.

Clinton said at hearings at the U.S. Senate on the ratification of the new START treaty that an agreement on a resolution on Iran has been reached between the U.S., Russia and China.

Russia, Ukraine to clear the legacy of past 5 years - Medvedev

KIEV, May 18 (Itar-Tass) - Russia and Ukraine will continue to improve the investment climate of the two countries, Russia's President Dmitry Medvedev said at the Seventh Ukraine-Russia Economic Forum on Tuesday.

“This is both good and bad,” Medvedev added.

“Ukraine’s business is also active in Russia,” he continued. “The direct investments are probably not so high - they make about 165 million dollars.”

“If we developed the cooperation between our economies the right way and did not lose our chances, the investments could have been bigger,” he said. “We need to clear the legacy of the past.”

Medvedev told about his plans to sign a memorandum on this topic and to present it to Ukraine’s side.

“I believe, that Ukraine’s partners may follow suit in relation to the issues, the Russian market has,” he said. “We should act directly and openly here.”

“There is still much to be done to improve the investment climate in Russia and Ukraine,” Medvedev said. “The most important thing to observe is to minimise risks for investors.”

Four seized for unauthorized rally attempt near Iranian embassy in Moscow

18.05.2010, 18.47

MOSCOW, May 18 (Itar-Tass) -- Four young men have been seized in Moscow for trying to hold an unauthorized rally near the Iranian embassy, city police representative Maxim Kolosvetov told Itar-Tass.

“The young men were taken to the Basmannoye police station. Administrative charges will be brought, and the men will be set free,” he said, adding that a justice of peace would hear the case.

Russia concerned about unilateral U.S., EU sanctions against Iran

Russian Foreign Minister Sergei Lavrov has expressed concern over reports that the U.S. and EU are preparing unilateral sanctions against Iran in addition to a draft Security Council resolution currently being discussed.

"[In a phone conversation] Lavrov also expressed concern over coming reports about the intentions of the U.S. and the European Union to go beyond a collective Security Council position on Iran and to impose unilateral sanctions," the Russian Foreign Ministry said in a statement.

The Foreign Ministry said the unilateral sanctions would include measures "of an extraterritorial nature, beyond the agreed decisions of the international community and contradicting the principle of the rule of the international law, enshrined in the UN Charter."

On Monday, the [Iranian, Brazilian, and Turkish foreign ministers signed an agreement on the exchange of low-enriched uranium to fuel Tehran's scientific research reactor](#). An Iranian Foreign Ministry official representative said that Tehran had agreed to swap in Turkey most of its 3.5%-enriched uranium for 20%-enriched fuel.

"The minister and the secretary of state exchanged opinions on how this move might influence the new draft Security Council resolution on Iran," the Foreign Ministry said.

The Iran Six (France, Britain, Germany, the United States, Russia and China) began discussing on April 19 the text of a draft resolution to impose sanctions on the Islamic Republic, which the United States and other Western countries suspect of developing nuclear weapons under the guise of a civilian nuclear energy program.

The Security Council is currently holding a closed session in New York to discuss the draft resolution. Brazil, which is one of the non-permanent members to the UN this year, abstained from the discussions, the country's UN ambassador, Maria Luiza Ribeiro Viotti, said.

White House Presses Senate to Approve Russia Arms Pact

WASHINGTON — The Obama administration encountered some Republican skepticism on Tuesday about its new arms control treaty with [Russia](#) but little outright opposition that might threaten the chances of ratification by the Senate.

The White House had been counting on Mr. Lugar's support to offset Republican criticism, and he spoke with some passion about the continuing threat from so many [nuclear weapons](#), noting that a single one could devastate New York or Philadelphia. "If I become dogmatic or emotional about it," he said, "it's from some experience of seeing what could hit us."

Other Republican senators, though, remained unconvinced and accused the administration of either giving away too much or failing to accomplish enough. Some peppered Mr. Obama's senior advisers with questions about whether the administration had effectively let Russia wield veto control over future American missile defense programs, while others asked why the treaty did nothing to rein in tactical nuclear weapons.

The Obama team deflected the criticism, insisting that nothing in the treaty would inhibit missile defense plans and noting that it would re-establish a mutual inspection system that had expired last year. The advisers described the treaty as a critical step to improving relations with Moscow and bolstering solidarity against emerging nuclear powers like Iran and North Korea.

"The U.S. is better off with this treaty than without it, and I am confident that it is the right agreement for today and for the future," Defense Secretary [Robert M. Gates](#) told the committee. Adm. [Mike Mullen](#), chairman of the [Joint Chiefs of Staff](#), added that "this treaty has the full support of your uniformed military."

Secretary of State [Hillary Rodham Clinton](#) said the treaty would make it easier for the United States to rally the world against nuclear proliferation.

"I am not suggesting that this treaty alone will convince Iran or North Korea to change their behavior," Mrs. Clinton said. "But it does demonstrate our leadership and strengthens our hand as we seek to hold these and other governments accountable."

The treaty, which would bar each side from deploying more than 1,550 strategic warheads or 700 launchers, is perhaps the most tangible foreign policy accomplishment of Mr. Obama's presidency to date, and winning ratification is one of his top priorities. The administration hopes the Senate will vote as early as this summer, but certainly by the end of the year. Russia's Parliament is waiting for the Senate before acting.

Senator [John Kerry](#), Democrat of Massachusetts and the committee chairman, was cautious about timing as he tried to build bipartisan consensus. "We should do it when we're ready," he said in an interview. "My goal would be to do it as soon as possible. Does that mean I'd like to get it done before the election? Absolutely. But the important thing is to get it done right."

Mr. Kerry said he would summon two former Republican secretaries of state, [Henry A. Kissinger](#) and [James A. Baker III](#), to support the treaty. "The treaty's pretty tight," he said, "and the administration has done a pretty good job of including all the stakeholders."

But Senator [Jim DeMint](#), Republican of South Carolina, said it was "absurd and dangerous" to think that the United States "should seek parity" with Russia given America's unique role in the world. "Russia doesn't have 30 countries counting on them for protection," Mr. DeMint said.

Mr. DeMint took issue with nonbinding language in the treaty and a separate Russian statement noting Moscow's concerns about missile defense. "For us to even include in the treaty the idea that these things are interrelated is somewhat frightening to me," Mr. DeMint said.

Mrs. Clinton said the language would not constrain American missile defense plans, just as similar statements in the past had not. "The facts really refute any concerns that you and others might have," she told Mr. DeMint.

Senator Bob Corker, Republican of Tennessee, noted that Russia already has fewer launchers than the ceiling in the new treaty. "Did we really get anything in this treaty at all?" Mr. Corker asked. "We're the ones that are actually making cuts, not them."

Mr. Gates noted that Russia still had more warheads than would be allowed. "They will be reducing the number of warheads," he said.

Senator [Johnny Isakson](#), Republican of Georgia, pointed out that the treaty would permit fewer inspections than the original Strategic Arms Reduction Treaty of 1991, which expired in December. Under the new treaty, each side could conduct 18 inspections a year instead of the 28 inspections permitted in the past.

Obama advisers said American inspectors would have to monitor only 27 nuclear facilities in Russia today, compared with 73 monitored in the old Soviet Union

Economic Issues:

Putin Calls for Budget Reforms Over 3 Years

By Maria Antonova

The government has done well in prioritizing spending during the crisis, but severe budget cuts and systemic reforms will be required over the next three years, Prime Minister [Vladimir Putin](#) said Friday.

“We need to do a complete revision of our current obligations and cut ineffective and secondary spending,” Putin said in an unusually long and decisive address to the Finance and Economic Development ministries.

Putin said the high level of spending during the crisis helped Russia avoid protests like those currently rocking Greece, and social and political instability that “limits the opportunities for healthy macroeconomic and general economic policies.”

Last month, Kudrin said government spending would have to come down by as much as 20 percent by 2015.

Next year, the budget deficit is projected at 4 percent if the price of oil is \$70 a barrel, but if oil falls to \$50 a barrel, the deficit will be 8 percent, “a risky number,” Kudrin said at the meeting Friday.

The 2010 budget will be balanced only if oil averages \$95 a barrel, “taking into account that we are also spending the Reserve Fund,” Kudrin said. He predicted that the budget deficit would be 5.2 percent to 5.4 percent this year.

Economic Development Minister [Elvira Nabiullina](#) said at the meeting that the ministry was predicting \$76 oil through 2011, but Kudrin warned against such optimistic forecasts, saying that in 2009, the Finance Ministry “seriously overvalued its expectations for the price of oil,” balancing the budget with oil at \$95 a barrel when the real price was only \$61.

To boost budget earnings, the government will consider decreasing tax deductions at a Wednesday meeting where the Cabinet will discuss Russia’s tax policies for the next three years, Kudrin said.

“For Russia, the norm is a low, even zero budget deficit. Therefore it is important to meet the goal of lowering the deficit to 3 percent in 2012 and to zero in 2015,” Putin said.

The government still depends on revenues from the oil and gas sector for more than 40 percent of its budget.

In order to kick the economy's dependence on resource extraction, Russia must build a modern economy by eliminating noncompetitive companies, encouraging innovation and preparing state companies for their eventual privatization, Putin said. The government also must tighten control over financial markets and modernize customs policies.

“We need solutions that push state companies to use modern management models. And salaries for their management must be tied to the figures for lowering expenses, raising energy and labor efficiency and introducing new technologies,” Putin said.

The prime minister also called for stronger efforts to suppress inflation, which “should be kept at a low level not only by limited demand but ... by consistent government policies,” such as raising labor productivity, cost-cutting and effective anti-monopoly regulation.

Russia must also improve its “unsatisfactory” investment climate and change the focus of its exports from the struggling European markets to the more dynamic developing ones, Nabiullina said.

Russia's gross domestic product grew by 2.9 percent year on year in the first quarter of 2010, the State Statistics Service said Friday.

By the end of the year, GDP growth will be at least 5 percent, Central Bank First Deputy Chairman [Alexei Ulyukayev](#) said, adding that “he will be very surprised if the budget deficit will be over 5 percent [of GDP].”

He also predicted that inflation would be near 5 percent by year-end. “In the short term, the situation is not bad,” Ulyukayev said.

Finance Ministry Plans to Curtail Foreign Debt Sales

16 May 2010

Reuters

The government will slash external debt plans and may not tap the market at all in 2011-12 after pushing through its first eurobond in a decade before Greek woes spiked risk aversion, Deputy Finance Minister [Dmitry Pankin](#) said.

But investor risk appetite took a serious knock from the Greek debt crisis, and yields across the board — including for new issues — surged.

"We just caught the last wagon of the train because one week after our bond issuance it could be much more difficult to get such results and as we see spreads are rising," Pankin said in an interview.

"We pushed the benchmark 20-30 basis points down. Maybe our expectation was that we could have better results, but the market was not as beautiful as it was at least one week before."

Russia had originally planned to borrow up to \$17.8 billion abroad this year and similar amounts in coming years. But officials have since said all further borrowing this year will be done on the domestic market.

"I think our main strategy is to borrow in the internal market, mainly using ruble instruments," Pankin said, adding that this strategy would also apply in years ahead.

"Our plan is that we diminish our external borrowing from up to \$20 [billion] to up to \$7.5 billion ... for 2011 and 2012. But it's only an indication that we can borrow. Now it's difficult to say exactly whether we will borrow or not."

Total borrowing needs for this year though are unlikely to be less than the expected 1.5 trillion rubles (\$50 billion) despite higher oil prices.

"We are preparing a revised version of the budget projections, but I think it would be rather difficult for this year to get a budget deficit substantially less than 6.8 percent," Pankin said, citing ruble appreciation and "much bigger demand from other ministries for additional spending."

Yields on the five-year Eurobond, sold with a coupon of 3.625 percent, have risen above 4 percent. The 10-year with a 5 percent coupon now yields 5.3 percent.

[\\$15Bln Plan to Build 5 Ski Resorts in Caucasus](#)

By Irina Filatova

President Dmitry Medvedev hopes to strike gold by building five ski resorts in the North Caucasus that rival the best Austrian resorts by 2020, an official said Monday.

"We have a Klondike, an El Dorado, and it would be a crime not to use it," said [Rostislav Murzagulov](#), managing partner with [Agitpro](#), a company providing consulting services for the project.

"The situation in the south of Russia is very favorable. There are many airports and a good infrastructure. ... The potential is great," he told The Moscow Times.

But Murzagulov indicated that the Kremlin saw the resorts as an opportunity to pump money into the local economy and improve the lives of locals — thereby discouraging separatism and the accompanying violence.

The idea to build the resorts came from Medvedev, while his envoy to the North Caucasus, [Alexander Khloponin](#), will oversee the project, Murzagulov said.

The project will be implemented as a state-private partnership, with the government largely fulfilling organizational and regulatory functions, he said.

Much of the \$14.8 billion in construction costs will be covered by private investors, some of which are already waiting in the wings, Murzagulov said. "These are the Russian business and big foreign investment funds and banks," he said.

Among the key investors are U.S., Arabian, Scandinavian and European financial companies, including the German insurer [Allianz](#) and U.S. banks [JPMorgan Chase](#) and [Morgan Stanley](#), he said.

The government plans to invest up to 60 billion rubles to build roads and other infrastructure that the North Caucasus needs anyway, Murzagulov said.

He said the ski resorts would be competitive with the best ski resorts in Austria, which "gets billions of dollars" from the tourist industry.

Murzagulov said 175.6 billion rubles will be spent on constructing new hotels at the five locations and as many as 5 million tourists a year could visit the resorts.

The mountains in the Caucasus are attractive for two types of tourists — skiers and alpinists — and provide skiing year-round, said Marina Smirnova, senior vice president with consulting company Jones Lang LaSalle, which is not involved in the resorts project.

She said demand could lead to hotel occupancy rates of 60 percent to 65 percent, close to Moscow's level, but said the number of annual tourists would probably top out at 3.5 million.

Construction will be expensive because special equipment will have to be used in order not to damage the landscape, Smirnova said.

"The cost of a four-star hotel in this place may amount to \$300,000 to \$350,000 per room," she said, adding that the proposed funding would be enough to build 10,000 to 15,000 quality rooms in the resorts.

The five resorts will occupy a total space of 4,000 hectares, where more than 800 kilometers of ski run will be built.

Local residents are ready to work in the service sector, said Murzagulov, adding that about 160,000 jobs would be created after completion of the resorts.

Work on design plans for the resorts has started, and construction is scheduled to begin next year, he said.

Austrian company [MasterConcept Consulting](#), which created the plans of several ski resorts in Salzburg, is creating the concept of the project, he said.

The ski plans are not the first for the region. Chechen President Ramzan Kadyrov said earlier that he would like to build ski resorts in Chechnya aimed at attracting both Russian and foreign tourists. He said the resorts could be better than those in Switzerland.

"We're not talking about the Chechen Republic," Murzagulov said. "That's a separate situation there, and it should be considered separately."

Medvedev refuses to rule out Central Asia-Russia-Ukraine gas transit

Russian President Dmitry Medvedev said on Tuesday he did not exclude the possibility of natural gas transit from Central Asian states to Ukraine via Russia.

Ukrainian President Viktor Yanukovich has said he would like the issue of Turkmenistan's gas supplies through Russia to be discussed in the future. He also said he was hoping on support from Moscow.

"This issue has never been excluded, but it can't be bilateral. It always has a trilateral character and ultimately is about our agreements with the Uzbeks or other colleagues, for example, the Turkmen," Medvedev told a Russian-Ukrainian forum in Kiev.

Russian gas giant Gazprom and Ukraine's Naftogaz are continuing to discuss issues of integration and joint projects. However the decision about building the South Stream gas pipeline has already been taken and the project will be realized, Medvedev said.

The South Stream pipeline will pump 63 billion cubic meters of Russian natural gas annually to Bulgaria, Italy and Austria and is part of Russia's efforts to cut dependence on transit nations, particularly Ukraine and Turkey.

However, Medvedev also said there was no "political" element to the decision to construct South Stream and that it did not mean that "alternatives" had to be ruled out.

Russia positive on technology cooperation with Ukraine

Russian President Dmitry Medvedev said on Tuesday he saw good prospects for cooperation with Ukraine in the advanced technology sphere.

"We could cooperate in the innovation sector, particularly in 4G communications. We have had good performance in this sphere so could unite our efforts," Medvedev told a Russian-Ukrainian economic forum.

Bank of Russia Releases Largest Gold Coin Worth \$200,000

The Bank of Russia has released a record-heavy coin to celebrate its 150th anniversary. Georgy Luntovsky, deputy chief of the Central Bank of the Russian Federation unveiled the coin worth 50,000 rubles (\$1,660) to the general public yesterday. The coin, which is said to become available on June 12th, is made of 999-carat gold.

"Originally, we intended to make a coin weighing 150 kilos in connection with our date, but later shelved the idea," the official joked.

The new coin can be owned only by wealthy collectors. Commerce banks will have to pay the price of gold plus a commission for production costs. One gram of gold today costs 1,187 rubles (about \$40). Therefore, a five-kilo coin will cost not less than 6 million rubles (\$200,000, the price includes a 10-percent commission of the bank).

Nevertheless, the new gold coin already has its first customer. It is the Central Bank, which purchased two coins from itself for its own museum. Aleksey Ulyukaev, first deputy chairman of the Central Bank, intends to purchase another one, although he will have to pay a higher price for it.

“We are going to sell the coins through commerce banks, where they can be acquired by employees of the Central Bank too. We will not have a special discount price for them, though,” Luntovsky said.

It is worthy of note that Russia’s most valuable coin does not beat world records. China released a coin worth 100,000 yuans on the threshold of the Olympic Games in Beijing. The Chinese coin was twice as heavy as the Russian one. China released only 29 of such coins; one of them was sold in Russia. The world’s largest coin weighing 100 kilos was made in Canada.

Russia may share economic situation of most countries 2011- Kudrin

18.05.2010, 11.56 - MOSCOW, May 18 (Itar-Tass) - Starting next year, Russia may find itself in the same economic situation, as many other countries will have, Russia’s Finance Minister Alexei Kudrin said in an interview to Russia’s Vedomosti business daily on Tuesday.

“Russia starts to live like other countries do, but Russia has risks of lowering oil prices, though,” he said. “Our advantages are fading away, and we should realise this truth.”

“The government has carried out its main task to dump the situation,” he said.

The Reserve Fund will expire next year, he added.

“There will remain a small reserve of the National Wealth Fund /NWF/, but it would not be wise to spend it as it has been established to smooth out the revenues of the Pension Fund affected by the demographic problem,” Kudrin said.

The world economy faces “the crisis of globalisation,” and “the architecture of the world market and regulations is changing nowadays,” he said.

“We witness how the regulation of euro is being tested now,” Kudrin said. “The EU will work out immediate instruments to protect euro, and later on they will use long-term protecting instruments – strictly regulated macroeconomic, fiscal and taxation policies.”

“Knowing all these drawbacks, we should undertake much more strict measures than other countries will use,” Kudrin said.

“In other countries, budget deficits may be three percent, while we should have a deficit of one or even zero percent,” he said. “This may be possible only if oil prices remain stable at about 50-60 dollars a barrel.”

“A big deficit will multiply our risks, because a big deficit – the expenses to support the economy – will rather damage the economy,” he said. “A deficit will damage investments and loan rates.”

Kudrin answered the question if taxes may be raised in near future, saying that this scenario may be possible.

“Even the responsibilities we have now and our desire to continue the programmes we have started, may require extra fiscal burden,” he explained. “However, we are not working on this as yet.”

“There is another reserve Russia has,” he said. “I mean ineffective state expenses.”

“We may carry out the same tasks and still have lower expenses,” he said. “For example, the World Bank estimates reserves of 30 percent in Russia’s healthcare. I believe, the reserve of road construction is not less. The defence industry may have reserves of about 15 – 20 percent, I believe. If we manage to have correct governance of state expenses, it will not be necessary to raise taxes.”

“The question is whether the government will be able to administer this task,” Kudrin said. “I do not think there is any other way out, and I realise that this is a complicated task.”

Russian finance minister says global crisis is not yet over

ST. PETERSBURG, May 16 (Itar-Tass) -- The global economic crisis is not over, more recurrences are possible, Russian Finance Minister Alexei Kudrin said on Saturday.

“I would like to repeat once again: the crisis is not over,” Kudrin told students of the St. Petersburg State University’s economics department. “The majority of world nations, including the United States and Russia, have come out of the recession, although its fundamental causes have preserved.”

Social/ Humanitarian: Medvedev Orders Olympic Security Tightened

16 May 2010

Reuters

President [Dmitry Medvedev](#) on Sunday ordered tighter security at the 2014 Winter Olympics, which will be staged in the same mountain range that is home to Islamist insurgents determined to carve out a separate state.

"Additional security measures must be introduced during the 22nd Olympic Winter Games and the 11th Paralympic Winter Games in Sochi in 2014," Medvedev said in a new decree published on the Kremlin's web site.

It did not say what additional measures would be undertaken.

Deputy Prime Minister [Dmitry Kozak](#), appointed by the government to oversee the games, said Sunday that tightened security would not cause inconvenience for athletes and visitors to Sochi in 2014.

Somalia Calls for Russian Explanation on Pirates

NAIROBI, Kenya — Somalia's transitional government has called on Russia to explain why it had cut 10 Somali pirates adrift in the Gulf of Aden without navigation equipment or much hope of survival.

Russian media later quoted a military source as saying the pirates were now likely dead.

"We want an explanation from Russia on the death of our citizens," Abdirasak Aden, an official at Somalia's Information Ministry, said Friday.

"They are gangs, and there is no dispute on that, but they have to get a fair trial. Dumping them in international waters was not the only choice," he said.

The Defense Ministry said the pirates were set free because there were no grounds to prosecute them in Russia, and experts say bringing pirates to trial is notoriously difficult.

"Many countries either lack the right legal code to dub piracy a criminal offence or the procedural provisions to do so," said J. Peter Pham, senior fellow and Africa Project director at the National Committee on American Foreign Policy.

"Up until now, Kenya and the Seychelles have taken the majority of the caught pirates ... but over the last year, they have simply reached their limit," he said.

According to one U.S. tally, Pham said, 706 pirates were encountered by naval vessels of the counterpiracy coalition between August 2008 and December 2009.

"Just 46 have been convicted so far, and 23 acquitted. All together, that means that nearly 60 percent of the pirates encountered were simply released," he said.

In a bid to plug this gap, a Russian-drafted resolution that suggested creating special pirate courts passed unanimously last month at the UN Security Council.

The resolution, a rare Russian initiative on the council, expressed concern over such cases, calling them a failure that "undermines anti-piracy efforts of the international community."

One legal expert said Russia's decision to cast the 10 Somali pirates adrift contravened its obligations to protect their lives and offer them the right to a fair trial.

"You cannot expect people to make it ashore without navigation equipment," said Deborah Akoth Osiro, a Nairobi-based legal expert.

"If they were actually set adrift with insufficient supply, at a range of 300 nautical miles from the shore, then Russia once again failed in its positive duty to prevent foreseeable loss of life," she said.

Some pirates pledged revenge, insisting that their comrades were executed by the Russians.

"We will deal with Russians unlike other hostages. We never think about harming a hostage, but we will reconsider that, and respond the same way their navies respond to us," Isse, a pirate commander in the coastal town of Hobyo, told Reuters.

Somali pirates have made tens of millions of dollars from seizing merchant vessels for ransom in the Gulf of Aden and the Indian Ocean. With foreign navies patrolling the busy shipping lanes, the pirates are striking further afield.

According to the International Maritime Bureau, Somali pirates accounted for more than half of the reported piracy incidents worldwide in 2009 and nearly all of the hijackings, with 47 successful captures.

5 Killed in Attack on Cell Phone Workers

14 May 2010

Reuters

Five people were killed Thursday when assailants attacked workers sent to repair a mobile-phone tower about 80 kilometers south of Dagestan's capital, Makhachkala, officials said.

Most or all of the people killed in the attack were believed to have been repairmen, a police spokesman said. Four police officers were wounded.

Hours later, police were exchanging fire with the attackers, he said.

Separately, three masked men severely beat and shot dead Fral Shebzukhov, an aide to Karachayevo-Cherkessia's president, in the republic's capital, Cherkessk, on Wednesday.

House of Swedish cartoonist depicted Prophet Mohammed attacked by arsonists

Two men have attempted an arson attack at a house of a Swedish cartoonist who drew Prophet Mohammed with the body of a dog, which angered Muslims and sparked a lot controversy, United Press International (UPI) said.

The 21-year-old and 19-year-old men were arrested on Sunday morning

Lars Vilks was not at his house in Nyhamnslage, Sweden, when the men attempted the attack. Plastic bottles filled with gasoline were found inside the house which windows were shattered.

Earlier this week the Swedish artist was assaulted as furious protesters interrupted his university lecture in Uppsala.

Vilks' satirical cartoon was published in 2007 by Swedish regional daily Nerikes Allehanda in order to illustrate an editorial on the importance of freedom of expression.

Later al-Qaeda offered some \$100,000 to anyone who killed Vilks and some extra \$50,000 if a murder slit Vilks' throat. Al-Qaeda also offered \$50,000 dollars for a murder of Nerikes Allehanda editor-in-chief Ulf Johansson.

Russian border guards seize large batch of illegal Chinese imports

The border guards in the Trans-Baikal area in south-east Siberia have seized a large batch of illegal Chinese imports, the press office of the regional border guard department said on Sunday.

"The vehicles were detained at the Zabaikalsk-Manzhuria international automobile border checkpoint," the press office said, adding that many clothes had the labels of world-renowned brands.

By Sunday morning, two trucks with clothes weighing 14 metric tons had been unloaded. A local firm from Chita tried to smuggle the goods into Russia from China, the press office said.

[Winds of Change Can't Blow Stalin Away](#)

By Alexandra Odynova

Russia's president and prime minister have rejected Stalinism and denounced Stalin's tactics. But the sharp ideological turn may not have much influence on domestic policy, analysts said.

Prime Minister [Vladimir Putin](#), previously wary of criticizing [Josef Stalin](#), denounced the Soviet dictator's regime during a visit last month to Katyn, the site of a Stalin-ordered massacre.

The Victory Day parade on May 9 commemorated the achievements of the Soviet army, but Stalin, its commander-in-chief, was denounced by the Kremlin.

The cult of Stalin, who remains a controversial figure in Russia, will not be reinstated in the country, President [Dmitry Medvedev](#) said [in a recent interview](#) with Izvestia.

"There's no way we can say that Stalinism will return to our everyday life. ... That's absolutely impossible. This is the current state ideology and my position as the president," Medvedev said.

"The Great Patriotic War was won by our people, not by Stalin or even military commanders," he added. "Stalin committed a lot of crimes against his people."

Medvedev also proposed declassifying and putting online a wealth of documents related to World War II, saying "the people should know the whole truth about the war."

Putin's position was notably different from Medvedev's when he personally picked a question about Stalin's role in World War II during a call-in television show in December.

"We won the Great Patriotic War. ... Even if we look back at the casualties, you know that no one can throw a stone at those who organized and led that victory, because if we had lost that war, the aftermath would have been much more catastrophic," Putin said.

But last month Putin flew to the Katyn forest to commemorate about 20,000 Polish officers killed by the NKVD, the Soviet secret police, in 1940. The memory of the massacre has soured Russian-Polish relations for decades.

"There can be no excuses. In our country there is a clear political, legal and moral evaluation of the totalitarian regime's atrocities," Putin said in his speech in the Katyn forest.

Directly before and after Putin's trip to Katyn, state-run television aired a movie about the massacre directed by Polish filmmaker Andrzej Wajda. In May, Medvedev ordered the declassification of files concerning the mass murder.

The anti-Stalin line is the result of a new pro-West foreign policy, said Alexei Makarenko, an analyst with the Center for Political Technologies.

"If Russia wants to build relations with Western countries, then it should adopt the principles of those countries in which Stalin is regarded as an unacceptable figure," Makarenko said.

Stalin, who ruled the Soviet Union at a time when it became a leading industrial power but who also organized mass repressions costing millions of lives, might have served as a useful ideological prop for the Kremlin during the oil-based prosperity of the past decade, Makarenko said.

"Oil prices are dropping" now, he said, "and a new innovative approach is needed. But if we praise Stalin, no one will support us."

Putin, who restored Stalinist symbols during his eight-year presidency, including the Soviet national anthem composed on Stalin's orders, has long been more shy of criticizing Stalin, said Boris Dubin, a sociologist with the Levada Center, an independent polling agency.

Putin's historical lack of opposition to Stalin suggests that the anti-Stalin stance might have little affect on domestic policy, he said. "For the population, these are vague signals, and it's unclear whether they will result in more profound changes," he said.

The nation remains divided on the role of Stalin, but people are also growing increasingly indifferent about the issue, he said.

Not all officials support an anti-Stalin policy. Mayor [Yury Luzhkov](#) promised in March to place billboards of Stalin on Moscow streets to recognize Stalin's achievements as the commander of the Red Army in World War II. The idea was vehemently criticized by human right groups and dropped shortly before the celebrations, which were attended by about 20 world leaders.

But portraits of Stalin appeared on buses in St. Petersburg.

An ongoing poster campaign celebrating the 75th anniversary of the Moscow metro features an archive photo with a portrait of Stalin clearly visible.

Luzhkov's support for Stalin was probably a populist ploy aimed at war veterans who voted for the ruling United Russia party during City Duma elections in October, said Makarenko of the Center for Political Technologies.

"Besides, he might have missed the new swift [policy] changes," he said. "Last year, it would have been hard to predict that Putin would go to Katyn."

A Moscow court on Monday threw out a libel case brought by Stalin's grandson against Ekho Moskvy radio over the station's claim that the dictator sanctioned the execution of children as young as 12 during the 1930s purges, Reuters reported.

Yevgeny Dzhugashvili had lost another defamation suit in October when a Moscow judge rejected his claim that the Novaya Gazeta newspaper had smeared Stalin in an article that said he personally ordered the deaths of Soviet citizens.

European justice and the sin of hypocrisy

The Grand Chamber of the European Court of Human Rights in Strasbourg on Monday granted Latvia's appeal, overturning the court's decision of July 24, 2008 that found Vasily Kononov not guilty of the war-time killing of nine Latvian civilians in 1944. This reversal has set a dangerous precedent.

Article 7 of the convention reads: "No one shall be held guilty of any criminal offence on account of any act or omission which did not constitute a criminal offence under national or international law at the time when it was committed."

When the Grand Chamber ruled on Monday that there had been no violation of Article 7, it opened a legal Pandora's Box. The ruling clears the way for criminal cases to be opened against hundreds and thousands of people who violated human rights as we understand them today while fighting for a noble cause - such as the fight against Nazism - in the past.

The guerrilla war that Soviet partisans waged against the German army in World War II was among the most merciless and dramatic events in human history. It claimed the lives of adults and children alike. Not even the unborn were spared, as in Malye Baty, where a woman who was nine months pregnant was killed. Kononov says he was not present at the woman's killing and that the witnesses against him were 3-5 years old at the time.

Children were also killed during the British and American bombing of German cities in 1944 and 1945, but no one blames the pilots.

Until recently, it was generally accepted that partisans in the former Soviet Union and the Allied pilots alike were fighting to bring a rapid end to the war, humanity's greatest inhumanity. In war, children can be killed and the perpetrators cannot be punished. What can be more inhuman than that?

There very well could have been children in the 14 trains derailed by Kononov's group, but what was the alternative? What would have happened to millions of other children if the Germans had received the ammunition, food and other supplies on those trains? What would have happened if Germany had defeated the Soviet Union and turned the full force of its aggression on Britain and the United States? What if Germany had been free to help its ally, Japan, which was killing Chinese children at Nanjing?

I doubt that any of the 14 Grand Chamber judges who passed judgment on Kononov ever had to make a choice as horrible as the choices Kononov's partisans were confronted with every day of the war. They killed compatriots, former friends and even relatives to save human civilization.

Kononov explained that he refused to take part in the reprisal against the alleged Nazi collaborators because he was from a neighboring village, and he feared that people from Malye Baty would turn their wrath on his parents. Almost all his relatives were later deported to Germany that used forced labor.

Judge not, lest ye be judged. This biblical truth applies to the participants in those tragic events above all.

By trying to reflect modern realities, the European court turned a blind eye to the historical circumstances, the motives and intentions of a growing number of defendants from the communist past of Latvia, Estonia and Poland. However, Roman law was based on a defendant's motives and intentions. By judging people who allegedly committed a crime in the 1940s according to the laws and moral norms of the 21st century, judges run the risk of committing the sin of hypocrisy.

Under pro-Russian president Ukrainian authorities kidnap Chechen refugees and extradite to death to Russia

On April 1, Rustam Danayev (born 1982) and Sultan Khutsiyev (1960), living in Kiev, left the house, where they rented an apartment at Volgogradskaya street 41, apt. 43. Danayev left at 19:00, Khutsiyev - two hours later. Both of them did not return.

According to eyewitnesses, each of them ambushed and caught by police. They brought them home, turned over everything in the apartment and took them away. Since then, friends, relatives, haunting human rights organizations and law enforcement bodies of Ukraine. The same response everywhere: we do not know, we did not see, we do not have them.

Here is an excerpt from a letter heartbroken mother of Danayev, Lili Kutuyeva, to the Internet newspaper Time.ua:

Rustam Danayev left his house around 19:00 pm, his did not have ID with himself. Around 21:00 pm in people in civilian clothes knocked my apartment and said they are employees of ministry of internal affairs of Ukraine, examined and photographed my ID, inviting the operator shot me to a video camera, and then reported that, according to their information, a man is living with me.

I explained that it is my son. Since their departure, I started to dial the phone number of my son, but the phone did not answer, since then a single day does not pass without dialing my child again and again, but he still does not answer.

Since his disappearance, I wrote statement to the police of Solomens district police department of Kyiv city. I wrote statements to the prosecutor and the Attorney General, alas no replies.

Today I receive news from unofficial sources that my missing son was extradited to Russia, but it is still not clear: how a man extradited from Ukraine without documents, and how it can be either the prosecutor's office and Prosecutor General of Ukraine know nothing about it!?

I have not received any written responses from these services up today. I beg you, respond to my sorrow and help me.

My son has a child who needs his father, and who every day asking when his daddy come home!

Rustam Danayev has not been involved in criminal activities and did not involve in hostilities. I report this information in order that all would initially became clear.

I know that a label "Chechen rebel" is wanted to hang to my son and all that ensues from this. But I am his mother and I am ready to swear on the Holy Book that my son, Rustam Danayev, has never been associated with wars, sabotage operations, etc."

Currently Lili Kutuyeva with the remaining children and son of Rustam Danayeva with the UNHCR office in Ukraine, moved to one of the European countries.

Russia saw 100,000 crimes against children in 2009 – official

Children in Russia were the victims of more than 100,000 crimes last year, with about 2,000 killed, the country's ombudsman for children's rights said on Wednesday.

Astakhov added that statistics showed that over the next 10 years the number of children in Russia would decrease by about 300,000 annually.

"Children grow up, but we haven't given birth to new babies over the last 10 years. Under the positive demographic policy in the country the children population declines, up to 2025 it will decrease by 5 million," he said.

Astakhov also said that a children's ombudsman would be appointed in each region of Russia by the end of the year. "The relevant decree has been signed by the Russian president."

Official: U.S.-Russia adoption agreement to be finalized by Friday

Moscow, Russia (CNN) -- A draft agreement on international adoptions between the United States and Russia will be finalized by Friday, Moscow's children's rights commissioner said Wednesday.

Under the proposed agreement, the number of U.S. adoption agencies dealing with Russian children will be reduced, he said.

"We will reduce the number of U.S. adoption agencies accredited in Russia," Astakhov said. Only those agencies that are accredited in the United States and compliant with the requirements of the Hague Convention on international adoptions will be allowed to continue working in Russia, he said.

In addition, he said, "independent adoptions" will be abolished altogether. The draft agreement envisions setting up a joint Russian-American body with the authority to check out any U.S. family adopting a Russian child, Astakhov said.

High-level meetings between the two nations on adoptions followed an uproar after a Tennessee woman sent the young Russian boy she had recently adopted back to Russia unaccompanied.

Food/ Environment& Energy

Baby Hospitalized in Rare Polio Case

14 May 2010

The Moscow Times

Her parents sought medical assistance after she came down with a high fever.

Health authorities are trying to contact other passengers on the flight to check their health, said Onishchenko, chief of the Federal Consumer Protection Service.

He said a second 9-month-old Tajik girl was confirmed with polio in the Irkutsk regional town of Angarsk on Wednesday. The baby arrived with her parents from Tajikistan in early May, he said.

The polio cases are Russia's first in 15 years, he said.

Onishchenko on Monday banned children under the age of 6 from entering Russia from Tajikistan amid a polio outbreak that has killed 12 children there. Onishchenko last week banned imports of nuts and dried fruit from Tajikistan.

Onishchenko said Thursday that there was no risk of an outbreak in Russia.

"The situation is under control and largely depends on measures taken in Tajikistan," he told reporters.

Polio is a highly viral infectious disease that usually spreads person-to-person via food or water contaminated with fecal matter. Children are usually vaccinated against the disease, which can lead to paralysis. Once contracted, no symptoms often follow, and there is no cure.

Quake measuring 4.5 hits Russia's Kamchatka

A 4.5 magnitude earthquake rocked on Sunday the eastern coast of the Kamchatka Peninsula in Russia's Far East.

An official from the Russian Geophysical Service told RIA Novosti that the epicenter of the quake was at the depth of 40 kilometers (about 25 miles)

There were no immediate reports of injuries or damage caused by the tremor, the official said.

A 6.3 magnitude earthquake has recently struck the Bering Sea halfway between Alaska and Russia and a string of frequent tremors continues to shake Chile where an [8.8-magnitude earthquake killed at least 521 people in February](#).

Russian coalmine chief faces criminal charges

The head of Russia's special investigations committee on Tuesday ordered criminal charges to be filed against the director of a west Siberian coalmine where an accident killed at least 66 miners.

Vladimir Markin, a spokesman for the special investigations committee, said prosecutors could charge other coalmine managers whose actions could have caused the tragedy.

Mine spokeswoman Galina Kovalchuk said Gennady Kozovoy, the Rospadskaya Coal Company general director, would be the acting head of the mine.

Two explosions hit the Rospadskaya mine near Mezhdurechensk on the night of May 8-9. Sixty-six bodies have been recovered from the mine, but fears of fresh explosions forced a halt to search operations last week with 24 people still missing underground.

Rospadskaya is owned by steelmaker Evraz, controlled by tycoon Alexander Abramov (40%) and billionaire Roman Abramovich (40%).

Hunger strikers at Altrak factory agree to stop job action

18.05.2010, 18.43

BARNAUL, May 18 (Itar-Tass) - Workers at the Altrak factory in Rubtsovsk, Altai Territory, who are on a hunger strike for the fourth day, and factory owners agreed on Tuesday on conditions of stopping the job action. Itar-Tass learnt at the factory workers committee which organised the hunger strike.

Konstantin Ganov, representing the interests of Altrak workers, specified that the protest action “will stop only when all 172 people who agreed to participate in the hunger strike, will receive their money. A separate agreement will be signed for others (who decided against participation in the job action due to various reasons) with a schedule of paying debts”.

Some 84 injured in Rospadskaya mine blasts remain at hospitals

18.05.2010,

MOSCOW, May 18 (Itar-Tass) - Some 78 injured people are undergoing treatment at the hospitals in the Kemerovo Region. Six injured people were evacuated to federal medical institutions of the Russian Ministry of Health and Social Development and the Federal Medico-Biological Agency. Four of them are undergoing treatment at the Burnazian Hospital, an injured person - at hospital number 86 of the Federal Medico-Biological Agency and one more wounded person – at the Priorov Central Hospital of Traumatology and Orthopedics of the Ministry of Health and Social Development.

The ministry posted at its website the lists of injured people and the hospitals they were brought to, as well as the miners who received outpatient medical aid.

Two methane blasts ripped through the Rospadskaya coalmine overnight to May 9. The gas explosions killed 66 people and 24 people are still on the missing list. The search operation in the shafts is suspended, as there is a high methane concentration level underground. A criminal case was instituted for violating the safety rules in coalmining that entailed the death of two and more people through negligence.

Medvedev 'aware' of Khodorkovsky's hunger strike

Russian President Dmitry Medvedev has been informed about Mikhail Khodorkovsky's hunger strike, a Kremlin spokesperson said on Tuesday.

"The president is acquainted with Mikhail Khodorkovsky's open letter to the head of the Supreme Court," Natalya Timakova said.

Khodorkovsky has gone on hunger strike in protest against the latest court ruling against him.

Lebedev said he would shortly study Khodorkovsky's appeal.

"I will consider the arguments laid out in it," he said. "As you know, I have never evaded an answer."

He said he would announce his decision in due course.

Khodorkovsky is already serving an eight-year sentence for fraud and tax evasion. He is now accused of stealing \$9.6 billion from the \$15.8 billion profit generated by Yukos between 1999 and 2003, as well as 350 million tons of oil.

Lawyer Vadim Klyuvgant said Khodorkovsky was going on hunger strike because he believed "the presidential will had been ignored" when Judge Viktor Danilkin on May 14 extended Khodorkovsky's and his business companion Platon Lebedev's detention in a Moscow prison until August 17.

Khodorkovsky said the decision violated a decree put forward by Medvedev, stating that individuals charged with economic crimes cannot be held in pre-trial custody.

His defense counsel Vladimir Krasnov said Danilkin was ruling in accordance with his "personal interests," and the prosecution had no legal right to demand the extension of his detention.

"They are spitting on the law and the presidential amendments," he said.

Conditions at pre-trial detention facilities where Khodorkovsky is being held are harsher than in an ordinary Russian prison or labor camp. However, his defense counsel said Khodorkovsky was not so much concerned about his own situation as about the ruling setting a precedent for others accused of economic crimes.

Khodorkovsky told the Khamovniki court earlier that he could not understand what he was accused of because his specific actions were not described in the criminal case.

Russia 1st Q retail food prices decrease – official

MOSCOW, May 18 (Itar-Tass) - First Deputy Prime Minister Viktor Zubkov said retail prices of a number of foodstuffs decreased in the first quarter of 2010, compared with the same period last year.

This happened after the law on trade began to operate on February 1, Zubkov noted.

"These are the measures, which we've been taking in a package; let us hope that we'll have a good year. The law on trade became effective on February 1, as an additional measure to state support. There was an apprehension that trade turnover would decrease and that prices would be raised. But nothing of the kind has happened," the first deputy prime minister said.

Geo-Strategic:

U.S. Senate to Consider New START Next Week

WASHINGTON — The U.S. Senate will begin hearings next week on the New START agreement with Russia that would reduce the two countries' arsenals of long-range nuclear weapons by about a third.

Secretary of State [Hillary Clinton](#), Defense Secretary [Robert Gates](#) and [Michael Mullen](#), chairman of the joint chiefs of staff, are scheduled to testify Tuesday. Former Secretary of State James Baker is due before the committee on Wednesday.

Democrats and Republicans will have "ample opportunity to thoroughly review the New START," Kerry and Lugar said in a joint statement.

Predicting approval, which requires a two-thirds Senate vote, Daryl Kimball, head of the private Arms Control Association, said there would be tough questioning but the treaty would pass by a healthy margin.

In Moscow, Foreign Minister [Sergei Lavrov](#) said Thursday that the New START would be submitted to the parliament for ratification soon.

Israel criticizes Russia's plans to supply arms to Syria

Israel has strongly criticized Russia's plans to supply arms to Syria, saying the move will not help efforts to bring peace to the Middle East, Kol Israel public radio station reported. "The sale of these weapons does not contribute to building an atmosphere of peace," Israeli Foreign Minister Avigdor Lieberman said.

Russia earlier said that it was supplying Syria with [MiG-29](#) fighter jets, Pantsir short-range air defense systems and armored vehicles.

Military-technical cooperation between Syria and Russia has always been an issue of criticism from Israeli authorities, who express a strong concern over increase of Syrian defensive potential, but also see a threat of transfer of weapons to Lebanese or Palestinian radicals.

Israeli-Palestinian direct peace talks came to a halt in December 2008, when Israel launched an attack on the Gaza Strip in a bid to put an end to the firing of homemade rockets at southern Israel by Palestinian militants based in the enclave. The conflict left 1,300 Palestinians and 13 Israelis dead.

Court bans Russian air traffic controllers from going on strike

A Moscow court has ruled that Russian air traffic controllers cannot go on strike, Russia's air transport agency Rosaviatsiya said Tuesday.

The national union of air traffic controllers is in dispute over a new contract and is demanding the resignation of Valery Gorbenko, who heads Russia's state air traffic corporation.

Rosaviatsiya said Moscow's Savyolovsky court issued the ruling on May 13. The court banned air traffic controllers from using strikes as a means of resolving labor or any other disputes.

It also banned the leaders of the air traffic controllers' trade union, including president Sergei Kovalyov, from calling on members to go on strike or perform other actions preventing civil aviation personnel from working.

The current conflict revolves around the collective contract for air traffic controllers for 2010-2013. The union wants to reinstate the terms of the previous deal.

Russia's state air traffic corporation said the contract was signed with all employees on same or even better terms than previous contracts and that only two trade union leaders are discontent with it rather than the entire personnel.

Russia, Ukraine fail to agree on maritime border demarcation

Russia and Ukraine on Monday failed to come to an agreement on the maritime border between the two countries in the Kerch Strait, which has remained undemarcated since the collapse of the Soviet Union.

The agreement on the issue is crucial for the potential introduction of visa-free travel for Ukrainian visitors to the European Union.

The two states will set up a special commission to deal with the issue.

The maritime border between the two states in the Kerch Strait which links the Sea of Azov to the Black Sea, has long been a bone of contention between the two states.

In the summer of 2003, a bitter dispute broke out between Russia and Ukraine over the Tuzla Island in the middle of the Kerch Strait, which came to a head when Russia tried to construct a dam on the island. Ukraine accused Russia of encroaching on its territory.

Ukraine unilaterally established a maritime border with Russia in the 1990s, saying it was based on the Soviet-era administrative border between the two republics. Russia has repeatedly denied the existence of Soviet administrative borders.

Russia remained committed to an agreement on the joint use of the Azov Sea and Kerch Strait signed in 2003 by then Russian President Vladimir Putin and his then Ukrainian counterpart Leonid Kuchma. Under the agreement, the sea and the strait remain the territorial waters of both Russia and Ukraine.

Russian President Dmitry Medvedev met with Yanukovich on Monday during a two-day official visit to the capital of the ex-Soviet state. The visit is one of a series of meetings between the two leaders in attempts to "reset" bilateral relations, which soured under the previous Ukrainian leadership.

The two leaders have signed joint declarations on European security, Black Sea security and peace settlement in Moldova's breakaway region of Transdnestr.

Russian President Dmitry Medvedev said after the talks that Moscow and Kiev might sign new bilateral cooperation deals, including in the aviation industry.

"I hope that soon we will sign specific agreements on cooperation in the most important industrial spheres of our economies," Medvedev told journalists in Kiev.

Before the signing and ratification of a significant deal on gas prices between the two countries in April, Ukrainian media said Russia might get a controlling stake in the Ukrainian state-owned aircraft manufacturer, Antonov, in exchange for a gas discount.

The Russian president also welcomed an inter-governmental agreement to cooperate in the development of Glonass, the Russian equivalent of the U.S. Global Positioning System (GPS), signed by top space officials of Russia and Ukraine on Monday.

Russia's new research module successfully latched on ISS

18.05.2010, 17.56

NEW YORK CITY, May 18 (Itar-Tass) -- Russia's MIM-1 Rassvet research module has been successfully latched on the Zarya module of the International Space Station (ISS).

The Atlantis robotic arm carefully retrieved the module from the space shuttle's cargo bay and handed it over to the ISS gripper, which attached the module to the docking unit of the Zarya. The connection was sealed in the automatic mode.

The operation took over three hours, including two hours between the Rassvet's retrieval from the Atlantis cargo bay and its transfer to the ISS robotic arm.

NATO contemplates a broader mission

BRUSSELS, Belgium —

The now 28-member bloc is deployed on four continents and leading a very hot war in Afghanistan. But on paper, its strategic outlook is frozen in 1999. Officially, NATO's

mission — enshrined in a document called the “Strategic Concept” — hasn’t been updated since then.

When Anders Fogh Rasmussen took over as NATO secretary general last August, he immediately started work on updating the doctrine. Within a month, Rasmussen had appointed former U.S. Secretary of State Madeleine Albright to head up a group of a dozen experts from both the private and public sectors, military and civilian, to prepare research that will form the basis of his own proposal, to be presented to heads of state for adoption at a summit in Lisbon in November.

The title of the 56-page report, “[Assured Security: Dynamic Engagement](#),” which was delivered by Albright to Rasmussen Monday, makes clear that to remain relevant and effective, the alliance will have to adopt multiple personalities: more nurturing of its newer members to build their confidence and more fierce against increasingly far-flung and devious enemies. And in all circumstances, it will have to be more frugal.

After eight months of deep discussion with military and civilian officials, academics and the public, Albright said her team had settled on two main points: “First, the alliance has an ongoing duty to guarantee the safety and security of its members,” Albright told the assembled ambassadors from each allied government as she released the study. “Second, it can achieve that objective only if it engages dynamically with countries and organizations that are outside its boundaries.”

Albright advocated first of all getting back to basics, what she called “renewing [the] vows” of the partnership. She said the members of eastern and central Europe often feel their concerns — in particular about Russian aggression — are not taken seriously enough. “There should be no question that NATO’s fundamental purpose should be to protect the security of its members,” she said. The alliance must do more to “truly reassure members,” Albright said, that they are both safe and that Article 5 — the call to mutual defense — would be invoked if needed.

Mottaki says Iran to pursue nuclear program despite UN sanctions

Iran will proceed with its nuclear program regardless of the threat of a new set of UN sanctions against the country, the Iranian foreign minister said on Wednesday.

"Iran does not take the sanctions seriously," Manouchehr Mottaki said, adding that the construction of the Bushehr nuclear power plant would be completed by Russia in line with earlier agreements.

Last week the head of the Russian Federal Atomic Energy Agency Rosatom, Sergei Kiriienko, said Iran's Bushehr nuclear power plant would go into operation by the end of the summer.

Tuesday's discussion on the new UN resolution draft follows the signing by the Iranian, Brazilian, and Turkish foreign ministers on Monday of an agreement on the exchange of low-enriched uranium to fuel Tehran's scientific research reactor.

"This morning I had a telephone conversation with my Brazilian counterpart, Celso Amorim, who endorsed the previously reached trilateral agreements on fuel supplies for nuclear reactor in Iran," Mottaki said.

The launch date for Bushehr has been postponed many times for financial and technical reasons. Iranian officials have claimed that Russia was reluctant to finish the facility due to UN sanctions and concerns voiced by world powers that the plant is part of a covert nuclear weapons program.

Russian President Dmitry Medvedev has said that sanctions, if imposed, were unlikely to target Iran's energy sector or its international trade.

Russian warships complete drills in Sea of Japan

Russia's nuclear-powered guided-missile cruiser Pyotr Veliky completed on Wednesday a series of three-day naval exercises in the Sea of Japan, the Defense Ministry said.

It said the Northern Fleet's cruiser had taken part in combined-arms maneuvers with a naval group from Russia's Pacific Fleet that started on Monday.

The group included the Varyag guided-missile cruiser, the Admiral Panteleyev destroyer, the Bystry destroyer, and a number of guided-missile boats, as well as naval aircraft.

On May 12, the Pyotr Veliky and the Moskva guided-missile cruiser, the flagship of the Black Sea Fleet, completed joint exercises in the South China Sea.

Russia announced in 2007 that it was building up its naval presence across the world. Foreign port calls by Russian warships have become more frequent.

Russia To Design New Long-Range Strategic Bomber

The decision will be officially registered in the state arms program developed for the period of ten years, *Itar-Tass* said.

"The program has not been approved yet, it is currently being prepared," Ivanov said.

The official added that he was speaking about the beginning of works only. "Research works and tests will come first, the industrial production will be launched afterwards," he said.

Therefore, there is no information about technical specifications of the new aircraft – whether it is going to be a subsonic or an ultrasonic bomber.

“The information about it will appear in two or three years,” Ivanov said.

During his visit to the United States Sergey Ivanov visited the launch facilities on Cape Canaveral and NASA’s Space Center in Houston. The official also conducted talks with officials of the Pentagon, the State Department, the National Security Council and the Senate.

Review of the Article for week # 120.

Conversations on Russia: Reform from Yeltsin to Putin.

BY PADMA DESAI .

Desai, the author of the book, interviewed about the Russian reform during last decade. He interviewed of the economist and politician who were familiar of the events, that who was the main actor in reforms, of 15 years ago. Among those the prominent are; Boris Nemstov, former first deputy prime minister, and Yegor Gaidar, former acting prime minister. Nemstov frankly remarks about the political mistakes of his own as well as Putin. Although, his work is appreciable but still book has some shortcomings, Desai was unable to interview former President Boris Yeltsin. The writer manages an interview with Putin, but it is not mention in the context that how and where it took place? Why she puts this group and not the other? This question would have enhanced the people