

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

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By: (Iam Khan)

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This is the summary of the (**Russia**)

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Russian specialists to adjust ISS orbit prior to Soyuz spacecraft docking

Russian missile cruiser heads to San Francisco on friendly visit

Russia to transfer its Nerpa nuclear sub to India in autumn 2010

Review of the Week-122

How Russia Really Works:The Informal Practices That Shaped Post-Soviet Politics and Business.

BY ALENA V. LEDENEVA.

All the institution in a society should work in a harmonious manner; if there is friction among them it will affect badly the performance or out put of these institutions. Informal institutions and practices could be observed in Russian history; the legal and economic institutions are prominent among them. Ledeneva notes in her thoughtful exploration; Most of the informal institutions are outside of the state control.

Summary of the Report:

Political Issue:

UN chief urges Israel to lift Gaza blockade

Israel and Egypt closed their border crossings with the Gaza Strip after Hamas seized control of the enclave in June 2007. The blockade has led to a drastic deterioration in the humanitarian situation in Gaza. Despite criticism from the international community, Israel has refused so far to lift the blockade, saying it is "an act of self-defense in the face of Hamas' continuing aggression."

Russia hosts international anti-terrorism forum

The meeting under the patronage of the Russian President Dmitry Medvedev will bring together top security and law enforcement officials from 63 countries and the UN counter-terrorism bodies.

Poland's Jaroslaw Kaczynski does not trust Russian authorities

The twin of the late Polish president Lech Kaczynski, Jaroslaw, said he does not completely trust the Russian authorities, including in the investigation into his brother's death. Kaczynski, the leader of Poland's Law and Justice Party and a candidate to succeed his brother as president, said unlike Prime Minister Donald Tusk and acting president Bronislaw Komorowski, he did not have total faith in Russian politicians.

25th EU - Russia Summit: Medvedev Proposes Visa ... - All Headline News

EU President Herman van Rompuy, European Commission President Jose Manuel Barroso, and Russian President Dmitry Medvedev told the media the two-day conference was fruitful, open, and friendly.

Russia, Armenia to hold roundtable discussions on bilateral relations

The discussions are organized by ruling Armenian Republican Party and the Russian Institute of Strategic Studies (RISS). The reports to be delivered at the meeting will focus on the Russian and Armenian political and economic cooperation, interaction in the sphere of security, the current state of the Nagorny Karabakh issue settlement and perspectives for normalization of relations between Armenia and Turkey.

Ukraine's president says will not recognize Abkhazia, S. Ossetia

Russia recognized the former Georgian republics as independent shortly after its war with Georgia in August 2008, but Yanukovych, who has pursued a pro-Russian foreign policy since taking office in February, stressed that he had never said that he would do so.

Economic Issue:

Oil Output Is Kept Close to Post-Soviet Record, Data Show

Production was 10.08 million barrels a day, about the same as revised figures for the previous month and an increase of 2.3 percent from May 2009, the Energy Ministry's CDU-TEK statistics unit said. Exports were little changed from April, while falling 1.8 percent compared with last year, to 5.46 million barrels a day.

Mystery Woman Is Sberbank's Biggest Shareholder

Her name is [Oksana Ozornina](#) "and it looks like she's a wealthy woman," Zlatkis said. Ozornina's 0.9 percent stake is worth about 15 billion rubles (\$481 million), Zlatkis said. "She is not revealing her identity publicly and doesn't live in Moscow, as far as I understand."

Government Looks to 3.4% GDP Growth in 2011

The ministry sees growth accelerating to 3.5 percent in 2012 and 4.2 percent in 2013 as the average price of oil rises to \$78 and \$79, respectively, the official told reporters, declining to be identified before the Cabinet discusses the recommendations.

Government May Use Higher Oil Price Estimate for 2011

The government will base its 2011 budget on an oil price forecast of \$75 per barrel, up more than a quarter from initial plans, a government source said Wednesday, indicating fiscal hawks might be losing a battle to keep a lid on spending. The forecast, which sees the economy growing 3.4 percent next year and inflation at 5 percent to 6 percent, is expected to receive final approval at a government meeting Thursday.

Medvedev to discuss Moscow financial center with top bankers

Medvedev proposed establishing a global financial center in Moscow at the St. Petersburg's Economic Forum in 2008. In April this year, the president instructed the council for financial markets and the Moscow government to work out by June 1 a plan on preparatory work for the project.

Production of new GLONASS/GPS navigator to begin in fall

Shatilina said a pilot batch of 100 models had already been distributed among the Russian state authorities. The first 5,000 units will appear in the stores in the fall for around 10,000 rubles (around \$330). The producers said the gadget has a built in rechargeable battery, with a running time of about four hours.

Bright New Future: Russian Government Adopts Social Budget

Russian Prime Minister Vladimir Putin outlined details of the 2011 Russian State Budget at a meeting on economic development scenarios 2011-2013 yesterday in Novo-Ogarevo. During his delivery, three key words appeared, setting the path for the economic recovery over the next three years: compromise, costs and conservatism. For Vladimir Putin, the priorities over the forthcoming three years will be the modernization of Russia's companies and service providers, investment, development of infrastructure industries and the reduction of costs among the monopolies, while at the same time providing services which the public can afford.

Belarus offers Russia pipelines for cheap gas - The Sun News

Russia already owns a 50 percent stake in Beltransgaz, the holding company of the strategic transit network, under an \$5 billion deal struck in 2006. Russia's Gazprom has been paying off its debt incrementally since, and Belarus has garnered significant discounts on Russian natural gas.

New Zealand, Russia to Start Free-trade Talks – FLEXNEWS

June 1 New Zealand, the world's largest dairy exporter, and Russia, the fifth-largest food importer, have agreed to start negotiating a free-trade deal, New Zealand's trade minister said on Tuesday.

[Putin Backs \\$75 a Barrel Oil Estimate](#)

A Presidium session that he chaired agreed to increase projected budget revenues next year by assuming that Russia's crude would sell for \$75 a barrel on international markets, 25 percent higher than the previous prediction, Economic Development Minister Elvira Nabiullina said.

Moscow Ready for CIS Bonds

Plans for turning Moscow into an international financial center, like New York or London, began gaining traction shortly before the financial crisis hit, but the recession put a temporary halt to the plans. The Kremlin hopes that making Moscow a hub for global capital will aid in Russia's development of an innovative economy and help it kick its dependence on natural resources.

Japan to work with Russia's Chelyabinsk region in car production

Russian car-producing region Chelyabinsk is hosting a meeting with the Japan Association for Trade with Russia and New Independent States (ROTOBO) on cooperation in car production, the region's Deputy Governor said on Thursday. "Producing cars and car components could be a promising area of cooperation between the region and Japan. We have a good competitive advantage in this area: a high concentration of metallurgy and car producing plants in one place," Yury Klepov said.

Medvedev to discuss Moscow financial center with top bankers

Medvedev proposed establishing a global financial center in Moscow at the St. Petersburg's Economic Forum in 2008. In April this year, the president instructed the council for financial markets and the Moscow government to work out by June 1 a plan on preparatory work for the project.

Putin Backs \$75 a Barrel Oil Estimate

Prime Minister Vladimir Putin on Thursday backed an oil price proposal that paves the way for greater federal spending next year when the presidential campaign kicks off. A Presidium session that he chaired agreed to increase projected budget revenues next year by assuming that Russia's crude would sell for \$75 a barrel on international markets, 25 percent higher than the previous prediction, Economic Development Minister Elvira Nabiullina said.

Russian gas production to grow 10.7% in 2010 to 646 bcm- forecast

Natural gas production in Russia in 2010 is expected to grow 10.7% year-on-year to 646 billion cubic meters, according to a government forecast published on Friday. It said gas exports should grow 22.1% to 205.7 bcm. In 2011, gas production is to grow to 655 bcm and to 676 bcm in 2013, while exports will be 207.9 bcm and 211.6 bcm, respectively.

Social/ Humanitarian:

Orthodox Taxis Drive a Fine Line

Moskovskaya Troika, the company he launched just two months ago, has already built a dedicated following among the city's Russian Orthodox. Its drivers are all devout believers, who are more likely to share a prayer than rant about traffic or the weather.

The cabs come equipped with pre-recorded services from the Orthodox Radonezh radio station, as well as literature from the church.

Russia's Population May Be Rising, Medvedev Says

The population rose by 10,000 to 141.9 million in 2009, stoking optimistic statements from senior health officials that a 6.6 million decline since 1995 may be coming to an end.

European arm wrestling championships open near Moscow

Alexander Filimonov, the president of the Russian Armsport Association, said athletes participating in the event are from Russia, Ukraine, Belarus, Bulgaria, Finland, Sweden, Poland, Britain, the Netherlands, Greece, Turkey, Georgia and other countries.

Experts will discuss how to stop Afghan drug trafficking on Thursday at 17.00 Moscow time (11.00 GMT)

Moscow-Washington video conference: What to do with opium fields in Afghanistan? Viewpoint of Russia and the United States will be broadcast live on RIAN.RU ahead of the international forum, Afghan Drug Production is a Challenge to the International Community, which will be held in Moscow on June 9-10, 2010.

Porn Star Arrested in Night Club for Acting Like Porn Star

Brigitta Kocsis, better known under the stage name of Brigitta Bulgari, was arrested in relation to a stage act she performed at a nightclub in Fossato di Vico in the province of Perugia. The porn star performed obscene acts in front of the young audience some of whom were believed to be under the age of 16, *IANS/AKI* reports.

EU chief raps Russia on human rights, media freedom – Reuters

European Union President Herman Van Rompuy on Tuesday said Europe was seriously concerned about the difficulties faced by human rights activists and journalists in Russia.

Russians Loath to Bind Love by Contract

Of the nearly 1.2 million Russian couples who registered marriages last year, only about 2 percent sealed contracts setting out the terms of a divorce. The contracts run afoul of Russia's more traditional approach to marriage, experts said. Few can bring themselves to strike a bargain over affairs of the heart.

'Muslim-Christian public prayer' held in Finland for success of the KGB (FSB) terrorist gang

According to an old and inveterate friend of Russia, operating under cover of a "Lutheran pastor" Juha Molari, a so-called "joint Muslim-Christian" public prayer has been held in the Finnish capital of Helsinki on June 2 for the well being of members of the international terrorist organization KGB (FSB) Russia, which recently killed the Polish

President and 95 other members of political and military elite of the country during the Second Katyn Massacre.

Food, Energy & Environment:

Poverty in Russia Disappears in a Remarkable Manner

The number of households with the income level below the poverty line in Russia dropped from 38 to 3 percent in 1998-2009, experts of the international monitoring of economic conditions in Russia (RLMS) said in their latest report. The study embraced an extensive time period of 15 years. Three percent is the lowest index reported during the entire period of observations.

Shine the Light on Israel: Will Israel Murder or Jail Humanitarian Peace Activists?

Ever since the Palestinian people exercised their rights in a free and fair election, voting the Hamas government in to represent them, they have been pounded by violence and illegal weaponry and starved, humiliated and forced to live without the basic necessities of life. You see, under the west's definition of "democracy," democracy is nothing more than doing what Washington or Tel Aviv tell you to do. One thing you must do is vote the way they tell you, otherwise there are consequences.

520-Day Mars Flight Simulation Begins

An international team of researchers climbed into a set of windowless steel capsules Thursday to start a 520-day simulation of a flight to Mars intended to help real space crews of the future cope with the confinement, stress and fatigue of interplanetary travel. The six-member, all-male crew of three Russians, a Frenchman, an Italian-Colombian and a Chinese will follow a tight regimen of experiments and exercise under video surveillance.

Geo-strategic:

Terrorists still trying to access nuclear materials - Russia's security chief

"We have information that terrorists are continuing their attempts to access nuclear materials, as well as biological and chemical components," Alexander Bortnikov said at a news conference after a meeting of the heads of security services from the member states of the Commonwealth of Independent States (CIS).

Russia Becomes Involved in Korean Conflict

A spokesman for the defense ministry of South Korea said at a news conference that the specialists would examine the fragments of the sunken vessel recovered from the bottom of the sea.

Russia Today: Second Korean war possible

South Korea also invited Chinese experts to review the results of the international expert commission. The South Korean authorities believe that the issue of North Korea's

responsibility for the destruction of the SKorean naval boat must be submitted to the Un Security Council. Russia and China are included on the list of its five members and hold the veto right at the organization.

Russia's Military Weakness May Lead to USA's Aggression

Russia has not been making anything new in the field of aerospace weapons. The things that we have now come from the times of the USSR. This goes to the fifth-generation jet too. As for the aerospace weapons, Russia gave it all up while NATO has been working on the project very actively. Some will probably say that Russia has S-400 missile complexes, but they are absolutely identical to the S-300: the new systems use old missiles

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.

Russian specialists to adjust ISS orbit prior to Soyuz spacecraft docking

The correction will be made without the participation of the space station's crew, using thrusters on the Russian module Zvezda and Progress M-05M freighter, which is currently docked to the ISS.

Russian missile cruiser heads to San Francisco on friendly visit

The Varyag is a Slava class missile cruiser, designed as a surface strike ship with some anti-air and ASW capability. The sixteen SS-N-12 Sandbox nuclear-capable supersonic anti-ship missiles are mounted in four pairs on either side of the superstructure, giving the ship a distinctive appearance. NATO experts had dubbed Russian combat ships of this class "the killer of aircraft carriers," as it can launch 1,000 kg of high-explosives or a tactical nuclear warhead out to a range of 300 nautical miles.

Russia to transfer its Nerpa nuclear sub to India in autumn 2010

The lease follows an agreement inked between New Delhi and Moscow in January 2004, with India funding part of the Nerpa's construction at the Komsomolsk-on-Amur shipyard in the Russian Far East with an initial \$650 million.

Detailed Report:

Political Issue:

UN chief urges Israel to lift Gaza blockade

UN Secretary General Ban Ki-moon called on Israel Wednesday to immediately lift its blockade of the Gaza Strip saying it was "wrong" and "unproductive."

"The long-running closure imposed on the Gaza Strip is counter-productive, unsustainable and wrong. It punishes innocent civilians. It must be lifted by the Israeli authorities immediately," Ban told reporters in New York.

On Monday, the Israeli military [stormed the six-ship Freedom Flotilla, carrying some 10,000 tons of aid and up to 700 human rights activists to Gaza](#), in neutral waters in the Mediterranean Sea. The operation claimed the lives of at least 9 people. Arab media reports put the death toll at close to 20.

The UN chief said he would appoint an independent commission to investigate the Israeli attack and demanded that Israeli authorities cooperate with the UN probe.

"The Israeli authorities must provide, as soon as possible, a full and detailed accounting of the events surrounding the incident, including information on the detained, wounded and killed," he said.

Russia hosts international anti-terrorism forum

Russia will host on June 3-5 an international forum on the ways to counter terrorist propaganda among the public.

"The ideological expansion of terrorism, the radicalization of the public and continuous attempts to involve the population in extremist and terrorist activities pose the biggest threat at present," the Russian Federal Security Service (FSB) said in a statement prior to the meeting.

"The use of advanced information technologies, primarily the Internet, presents a challenge that demands an immediate and adequate response," the statement said.

The FSB called for further cooperation between national and international security bodies in a multilateral format to increase the effectiveness of the fight against global terrorism.

Poland's Jaroslaw Kaczynski does not trust Russian authorities

He called the investigation into the [April 10 plane crash](#) in west Russia that killed his brother, the First Lady, and other leading Polish figures a matter of "honor."

"In relations with Russia one should address the community, rather than the authorities," he said.

While Jaroslaw Kaczynski built his career on anti-Russian rhetoric and ferreting out Russian "sleeper agents," he also penned a video address to the Russian people following the death of his brother, thanking them "for every tear shed, every candle lit, for every word of comfort."

According to a recent survey, Komorowski is the favorite to win in the Polish presidency. The first round of polls is scheduled on June 20, and if no candidate receives the required 50% plus of the national vote, a second round between the two top candidates will take place on July 4.

25th EU - Russia Summit: Medvedev Proposes Visa ... - All Headline News

Danilo Gagelonia - AHN News

Rostov-on-Don, Russian Federation (AHN) - The biannual 25th European Union – Russia Summit in the southern city of Rostov-on-Don ended Tuesday.

Medvedev reported he proposed to the EU leaders dispensing with common visa requirements to facilitate investment and boost tourism.

He described Russia as being in a “high degree of readiness” to abolish visa requirements although the EU is in a “rather different” situation.

However, Medvedev added, "The main thing - it's not even a question of partnership - it would simply make life easier for millions of people".

The Summit also issued joint statement on a partnership for modernization, a bilateral agreement on classified information protection, and a condemnation of Israel's attack on a Gaza-bound international aid flotilla in international waters Monday

Russia, Armenia to hold roundtable discussions on bilateral relations

YEREVAN, June 5 (RIA Novosti) - Roundtable discussions on the Russian-Armenian cooperation and regional problems will be held on Saturday in the capital of Armenia, Yerevan.

Leonid Reshetnikov, the director of the RISS, will be leading a Russian delegation consisting of his colleagues from the institute during the discussions.

A long-standing dispute over Nagorny Karabakh, a breakaway region inside Azerbaijan with a predominantly ethnic Armenian population, has been a sticking point in relations between the two South Caucasus states.

The Armenian-Turkish border was closed in 1993 on Ankara's initiative. Bilateral relations between the countries are complicated by Turkey's support of Azerbaijan in its conflict with Armenia over Nagorny Karabakh and differing positions on the killings of ethnic Armenians in the Ottoman Empire during World War One.

[Ukraine's president says will not recognize Abkhazia, S. Ossetia](#)

Ukrainian President Viktor Yanukovich said Kiev will not recognize the former Georgian republics of Abkhazia and South Ossetia despite improving ties with Russia.

"There are international norms. In line with the international law and standards any violation of [territorial] integrity or a state is forbidden," Yanukovich said at a news conference on Friday.

"We have no right to salute these processes in the world where the integrity of a state is violated and moreover to acknowledge this. I have never recognized this," the Ukrainian president said.

"I have never acknowledged the legacy of the actions that violate the integrity of the borders of a state," he said, adding that he has been always against the double standards involved when the independence of Kosovo was recognized by some states.

Before Yanukovich's victory in the February's polls, however, his Party of Regions called on outgoing President Viktor Yushchenko's administration to recognize the independence of South Ossetia and Abkhazia.

South Ossetia and Abkhazia broke away from Georgia in the early 1990s after the collapse of the Soviet Union. Russia recognized their independence after a five-day war with Georgia in August 2008 that began when Georgian forces attacked South Ossetia in an attempt to bring it back under central control. Only Nicaragua, Venezuela and the tiny Pacific island state of Nauru have followed suit.

Many experts believe that a decision by Ukraine to recognize South Ossetia and Abkhazia will create a question over the sovereignty of Crimea, which has a predominantly Russian-speaking population.

The peninsula was made part of the Ukrainian Soviet Socialist Republic in 1954 by Soviet leader Nikita Khrushchev and currently hosts Russia's Black Sea Fleet.

Economic Issue:

Oil Output Is Kept Close to Post-Soviet Record, Data Show

03 June 2010

Bloomberg

Russia maintained oil output near a post-Soviet record last month as [TNK-BP](#) raised production and [Surgutneftegaz](#) began reversing an annual decline, according to Energy Ministry data released Wednesday.

TNK-BP boosted output 0.3 percent from April and 3.1 percent on the year to 1.45 million barrels a day, not including its half of the [Slavneft](#) venture, whose fields are in decline.

Surgutneftegaz boosted production by 1 percent from April and 0.8 percent from last year to 1.2 million barrels a day. The company's output has fallen from 1.33 million barrels a day in July 2006.

"This is the result of increased capital expenditure planned for this year," said Svetlana Grizan, an oil analyst at VTB Capital. The producer plans to boost capital expenditures about 9 percent to 118 billion rubles (\$4 billion) in 2010 to maintain output at about the level of last year, chief executive [Vladimir Bogdanov](#) said in March.

Natural-gas production averaged 1.65 billion cubic meters a day last month, an increase of 28 percent from May last year and a decline of 12 percent from April, according to CDU-TEK.

[Gazprom](#), the world's biggest gas producer, pumped on average 1.28 billion cubic meters a day. Production increased from about 989 million cubic meters a day in May 2009 after demand for the fuel started to recover in the second half of last year.

Mystery Woman Is Sberbank's Biggest Shareholder

03 June 2010

Bloomberg

A woman "nobody knows" has become the largest shareholder of state-run [Sberbank](#) after doubling her stake in a year, deputy chief executive [Bella Zlatkis](#) said Wednesday.

[Nikolai Maximov](#), founder of scrap-metal processor [Maxi-Group](#), has a wife named Oksana Ozornina, according to Ural Mountains-based news service Ura.ru.

In March, Vedomosti reported that Maximov and an unidentified partner used an \$800 million credit line from VTB Group to boost their combined stake in Sberbank to 4 percent through various investment companies.

Government Looks to 3.4% GDP Growth in 2011

03 June 2010

Bloomberg

The Economic Development Ministry expects gross domestic product to expand 3.4 percent next year as the price of crude oil averages \$75 a barrel, a ministry official said Wednesday.

The ruble will probably average 29.3 per dollar next year and then strengthen to 28.4 and 27.9 in 2012 and 2013, under the ministry's most likely scenario, the official said. Consumer prices will probably rise between 5 percent and 6 percent in each of the next two years and between 4.5 percent and 5.5 percent in 2013, according to the official.

Finance Minister [Alexei Kudrin](#) said last month that the budget for the next three years should be based on oil averaging \$70 a barrel.

Government May Use Higher Oil Price Estimate for 2011

03 June 2010

Reuters

The source said the government reached a consensus on key parameters for next year's budget, after a long-running debate on the issue.

The consensus seems to give the upper hand to the growth-focused Economic Development Ministry over the fiscally prudent Finance Ministry. The Economic Development Ministry would benefit from a higher oil price forecast because that would enable a higher forecast for revenues, which would allow higher spending. The Finance Ministry had argued that the oil price forecast should not exceed \$70.

Finance Minister [Alexei Kudrin](#) has said a higher oil price forecast should translate into a deficit below the 4 percent of gross domestic product originally penciled in for 2011, which was based on an oil price of \$59 a barrel.

"It [the plan] was repeatedly discussed in the government, and ... I think the Finance Ministry knows it and has seen it," the source said.

Rising oil prices have been a huge boon for Russia, smoothing the economy's slow recovery from its first recession in a decade. Urals oil export blend traded above \$70 a barrel Wednesday, up from the \$58 level on which this year's budget was planned.

But for Kudrin, the higher oil price means a fresh battle to keep a lid on spending and, if oil falls short of the \$75 price forecast next year, it would reduce the forecast budget deficits.

"This seems to be the second time that the Finance Ministry has given up its positions," said Ilya Ilin, an analyst at Nomos Bank, referring to the Finance Ministry's difficulties in getting its way over tackling the deficit.

In April, Kudrin said he was "disappointed" when Prime Minister [Vladimir Putin](#) said Russia would press on with a hike in employer social security contributions, which the Finance Ministry had suggested could be delayed.

Putin, however, has also heralded a fall in inflation to post-Soviet Union lows as a major achievement for Moscow and thereby may still back restrained spending.

"We can move more actively on the path of solving our financial problems. First of all, reduce the budget deficit," Putin told officials Wednesday.

"Thus we will be able to use the means of the Reserve Fund more economically, in any case partly preserve it."

The latest forecast sees slightly lower economic and industrial output growth, as well as more benign inflation than forecast by the Economic Development Ministry in April.

Medvedev to discuss Moscow financial center with top bankers

Russian President Dmitry Medvedev will chair a meeting with officials from the Bank of Russia on setting up an international financial center in Moscow, Russia's finance minister said.

Alexei Kudrin told reporters on Wednesday that the upcoming meeting will discuss the plan and the creation of a project group to oversee Russia's efforts to establish the Moscow financial center.

The Russian president believes that turning Moscow into a global financial center as well as establishing the ruble into a leading regional reserve currency is central to building a competitive financial system in Russia.

According to Medvedev, it is necessary to establish normal and favorable conditions for capital and the relevant tax and customs facilities, to ensure effective judicial protection of property rights, to use modern models of risk insurance, and to create the necessary infrastructure.

Russian experts claim that a global financial center in Moscow could be established within five years.

Production of new GLONASS/GPS navigator to begin in fall

A personal car navigator which uses both the GLONASS and GPS systems, will enter production in Russia in the fall, the deputy head of marketing at the Russian Institute of Radionavigation and Time (RIRT) said.

"The RIRT NT-1813 personal navigator simultaneously receives signals from Russian GLONASS and U.S. GPS," Elena Shatilina said.

[GLONASS \(Global Navigation Satellite System\)](#), the Russian equivalent of the U.S. GPS (Global Positioning System), is designed for both military and civilian use.

The gadget is fully designed and produced in Russia.

"RIRT is the father of GLONASS so it is not surprising that we support the full production cycle from the chipset to the casing," Shatilina said.

Bright New Future: Russian Government Adopts Social Budget

For this, he claimed, "We should find a reasonable compromise between our infrastructure modernization plans and consumers' possibilities, how to distribute the load between the market players and the population".

Regarding costs, he stated that the onus now is on the monopolies continuing to provide services but reducing their cost through cutting non-core areas and disposing of these assets, while "introducing competitive procedures for purchases".

Vladimir Putin expects Russia to fully recover from the 2009 financial and economic crisis within three years. For this Russia can count on a favourable climate as regards process of raw materials, upon which an important part of the economy relies. This will entail a slow increase of real income once again for the population and will allow the [Government](#) to increase pensions at least to the minimum subsistence level.

The Prime Minister considers as absolute priorities to "say how the proposed modernization and competitiveness measures will affect the rate and quality of economic development in Russia and how labour productivity will grow".

For now, the growth rate for 2010 is forecast by the Economic Development Ministry at 1.6%, while over 2011 and 2012 it is expected to reach between 3.5% and 4.2%.

Belarus offers Russia pipelines for cheap gas - The Sun News

MINSK, Belarus -- Belarus on Thursday offered Russia total control of its gas pipeline network in exchange for cheap gas.

Belarussian President Alexander Lukashenko said in televised comments Thursday that the country is ready to cede full control of the pipelines, which also ship Russian gas to Europe, in return for Russian internal market prices on gas. Belarus is currently thought to pay more than \$200 per 1,000 cubic meters

Of the Russians, Lukashenko said: "If they say that they will sell gas to Belarus according to internal prices, then we are not against that - take the controlling stake" in Beltransgaz. It is not clear what exact stake in Beltransgaz the president was offering, and for what sum.

Russia has recently found resistance in garnering control over the sprawling pipeline network of Ukraine, despite a swing toward Moscow after recent presidential elections. Kiev maintains the transit network is too important to the country's interests to give up.

Lukashenko also raised the prospect of Russia taking control of the Mozyr Oil Refinery, one of the country's top two refineries, in return for discounts on oil imports - an idea first floated five years ago.

"We're not against it, but for decent money," Lukashenko said.

Belarus' meager economy has been struggling to cope with excise hikes on Russian oil imports imposed in February.

In recent years Russia has been trying to bring energy prices for former Soviet satellite states closer to European market levels. Observers say where Moscow delays the rate increases it expects political obedience in return.

One of the first foreign policy moves of Ukraine's new pro-Moscow leader Viktor Yanukovich was to allow Russia's Black Sea navy fleet to keep its headquarters in Ukraine's port city of Sevastopol. Kiev garnered massive discounts on gas in exchange.

New Zealand, Russia to Start Free-trade Talks - FLEXNEWS

The two countries agreed at a meeting in Moscow to hold preliminary talks ahead of the negotiation of a formal agreement, Trade Minister Tim Groser said in a statement.

"This is a significant step which in the long term could have significant potential for New Zealand businesses looking to expand into the broader European market," he said.

"An FTA with Russia and its customs union partners of Belarus and Kazakhstan could present a unique opportunity for New Zealand to future-proof its relationship with an emerging economic powerhouse," Groser added.

Russia is the world's 12th-biggest economy and holds a small trade surplus with the small Pacific island nation. New Zealand exports were valued at NZ\$187 million (\$127 million) in 2009, with imports around NZ\$300 million.

New Zealand has been actively negotiating free trade deals in recent years. It already has deals with China, the Gulf states, Singapore, Brunei, Malaysia, Thailand, and the 10-member Association of Southeast Asian Nations.

It is also pursuing agreements with South Korea, India and is part of a group, the Trans-Pacific Partnership, which is discussing a regional free-trade deal with the United States.

Putin Backs \$75 a Barrel Oil Estimate

By Anatoly Medetsky

Prime Minister Vladimir Putin has backed an oil price proposal that paves the way for greater federal spending next year when the presidential campaign kicks off.

Prime Minister [Vladimir Putin](#) on Thursday backed an oil price proposal that paves the way for greater federal spending next year when the presidential campaign kicks off.

The move will enable the government to plan for additional revenue of 200 billion to 300 billion rubles, Anton Nikitin, an economist at investment bank Renaissance Capital, told The Moscow Times. That would equal at least \$6.8 billion by the average rate of 29.3 rubles per dollar that the ministry is anticipating next year.

Under the previous assumption, made in the middle of the global recession last year, foreign consumers were to pay an average of \$59 for a barrel of the Urals blend of crude. Given that price, the tentative federal budget for next year — which was adopted last year — would bring in 7.5 trillion rubles, or \$216 billion by the dollar rate it envisaged.

Finance Minister [Alexei Kudrin](#), a fiscal hawk who had insisted that the revised target price for crude shouldn't top \$70 next year, said late Wednesday that the additional income could go toward reducing the projected 2011 budget deficit of 4 percent.

Nikitin described the prospect of a smaller budget deficit as "unlikely" in an election year, saying expenditures might grow instead. That would make Russia "much more vulnerable to global market conditions than it is now," he said separately in a note to investors.

The decision to back the bigger crude price outlook is the first time that Kudrin's conservative outlook has lost out to rosier estimates since Kudrin started as finance minister in 2000, Nikitin said.

The tentative budget for next year calls for 9.4 trillion rubles in spending, drawing the difference from the debt market and the Reserve Fund, the country's fiscal cushion.

Nabiullina declined to indicate how much the budget revenues would increase next year with the \$75 oil. She said the ministry was able to win out over Kudrin's reservations by convincing Putin and the Presidium, a scaled-down Cabinet, that demand for oil next year would surpass supply because of a global economic upswing of 4 percent.

A ministry chart, released for the Presidium session, showed that the world would need 87.2 million barrels of oil every day next year, exceeding supply by 290,000 barrels.

"There are restrictions for increasing oil supply," she said after the meeting in response to a question from The Moscow Times.

As upbeat as they are, such expectations are more modest than forecasts by the leading international research agencies and many economic analysts, she said without elaborating.

Risks to the ministry's scenario include potentially higher exports of Iraqi oil and a decline in the prices for Russia's natural gas because of increasing production of shale gas in the United States, the ministry said in an overview of its latest economic outlook that the Cabinet published on its web site. A slower global economic recovery would also spoil the picture, the overview said.

The outlook includes the oil price prediction, which is key in calculating the budget, which is heavily dependent on oil revenues.

According to the ministry's forecasts, Gazprom's investment into its remote northern Yamal fields, as well as expansion of the auto industry will lead Russia's economic growth of 3.4 percent next year.

Moscow Ready for CIS Bonds

03 June 2010

By Irina Filatova

Russian stock exchanges may soon begin trading bonds from former Soviet states, as a step toward transforming Moscow into an international financial center, Finance Minister [Alexei Kudrin](#) said Thursday.

"Our stock exchanges are ready for such a ... step — to get countries [from the Commonwealth of Independent States] to place bonds. It's possible in the near future," he said at a meeting chaired by President [Dmitry Medvedev](#).

Kudrin said Thursday that Moscow's prospects for becoming a global financial center were good, citing the Global Financial Centers Index, in which Russia is ranked 68th among 75 major financial centers.

He said it was a positive sign that the experts questioned by the survey had included Moscow in the list of global contenders, along with Dubai, Peking and Shanghai.

"We are in the beginning of the list in terms of the potential we have to unlock," Kudrin said, according to a transcript on the Kremlin web site.

The biannual report, composed by Z/Yen Group and commissioned by the City of London, grades the major financial centers in terms of their competitiveness, based on assessments from international financial services professionals.

Moscow, ranked two spots above St. Petersburg, "does not yet have sufficient depth or breadth as a financial center to be considered a specialist or diversified center," said the report, which was published in March.

According to the report, Moscow performed poorly in almost all competitive categories, including infrastructure and business environment, where Moscow was ranked 73rd and 71st, respectively.

Kudrin said Moscow was on good footing in its goals as the MICEX was among the world's top stock exchanges.

He said the exchange was ranked relatively highly in terms of its capitalization, the number of listed companies and trading volume.

To attract the necessary investors, the government is planning a legislative program that will form the legal framework for Moscow's financial ambitions.

Such legislation, including laws on stock exchanges and trading, will be passed within two to three years, Kudrin said.

Medvedev called on the work to be sped up, saying certain priority measures should be expedited.

"The task to begin with is to make conditions of work at the Russian financial market attractive for foreign investors," Medvedev said. "It's a whole complex of problems: It's not only our legislation, but the way our authorities enforce this legislation, as well as the way the rights and ... interests of businessmen and investors are protected."

In April, [Alexander Voloshin](#), [Norilsk Nickel](#) chairman and former head of the presidential administration, was tipped to oversee Moscow's transformation into an international financial center.

Also bearing responsibility will be Mayor [Yury Luzhkov](#), who will be charged with creating "comfortable work conditions" for foreign investors in Moscow, Medvedev said.

"They must feel no less comfortable than in London, Geneva or New York," he said.

Japan to work with Russia's Chelyabinsk region in car production

Klepov said the region also has a good logistical location.

"We have connections with all areas of Russia. We are also close to the Kazakh border so can also supply our products there," Klepov said.

"We have the experience and spheres of work, but we need technologies and partners. We can always find sales markets," he added.

The head of the ROBOTO delegation said the association is interested in cooperation with Chelyabinsk, although the region is still relatively unknown in Japan.

"The region is not very well known in Japan, but meetings like this allow us to learn more about it and work out areas of cooperation," Takashi Nisioka said.

Medvedev to discuss Moscow financial center with top bankers

Russian President Dmitry Medvedev will chair a meeting with officials from the Bank of Russia on setting up an international financial center in Moscow, Russia's finance minister said.

Alexei Kudrin told reporters on Wednesday that the upcoming meeting will discuss the plan and the creation of a project group to oversee Russia's efforts to establish the Moscow financial center.

The Russian president believes that turning Moscow into a global financial center as well as establishing the ruble into a leading regional reserve currency is central to building a competitive financial system in Russia.

According to Medvedev, it is necessary to establish normal and favorable conditions for capital and the relevant tax and customs facilities, to ensure effective judicial protection of property rights, to use modern models of risk insurance, and to create the necessary infrastructure.

Russian experts claim that a global financial center in Moscow could be established within five years.

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Also during the Presidium meeting, Putin ordered [Russian Railways](#) to develop a high-speed train system for Siberia like the Sapsan, which runs between Moscow and St. Petersburg.

He said similar high-speed trains should appear on other routes such as Moscow-Nizhny Novgorod and St. Petersburg-Helsinki.

Russian gas production to grow 10.7% in 2010 to 646 bcm- forecast

Russian gas exports will continue to be affected by Central Asian gas exports to Europe.

According to the Russian Energy Ministry, gas production in 2009 fell 12.4% year on year to 582.3 bcm, but in the first five months of the current year it was up 21.5% to 289.1 bcm.

During this period, gas monopoly Gazprom raised output 21% to 228.58 bcm.

In 2009, Gazprom's production fell 16% to 461.4 bcm. In 2010, it plans to raise output 14.7% to 529 bcm.

Social/ Humanitarian:

Orthodox Taxis Drive a Fine Line

When Nikolai Maslov, 29, decided to start his own taxi service, he knew he'd need a niche to compete with Moscow's unruly swarms of private cabs and the few large companies that dominate the official market.

"Jesus came to Jerusalem riding a donkey, and this was a sort of transportation, too," Maslov said in an interview. "An Orthodox believer can spend time on the road to his soul's advantage. If he's stuck in a traffic jam, he's with an Orthodox driver and listening to church prayers."

The company, which timed its launch to coincide with Palm Sunday, now has 50 privately owned taxis, ranging from Mercedes cars to minivans. Its offices in southern Moscow are alongside a tourist agency providing trips to religious destinations in Russia and abroad.

But as Maslov cashes in on a resurgent interest in the Russian Orthodox Church, he also has had to parry complaints that Moskovskaya Troika is more about excluding others than catering to a few.

Last month, a host on the popular radio station Serebryany Dozhd called the taxi company to book a car to a mosque, giving a Muslim name and speaking with a Caucasus accent.

The station later played the recording of Moskovskaya Troika's dispatcher telling the host, Alex Dubas, that her bosses do not allow the company "to take non-Orthodox passengers."

The recording led to considerable criticism on blogs and in the press, but Maslov maintains that his company is ready to do business with anyone, regardless of faith.

"We are not the Orthodox taxi for Orthodox believers, but an Orthodox taxi for everyone," he said, adding that the company had fired the dispatcher involved in the radio incident and posted an apology on its web site.

Maslov also complained about an article in Afisha magazine, written by reporter Yevgenia Kuida, who pretended she wanted to work as a driver.

In her story, Kuida quoted a company manager present at her interview as saying they do not hire "Georgians or Armenians, only decent, Orthodox people."

Georgia and Armenia are both predominantly Orthodox countries.

"Afisha magazine has not officially interviewed our company staffers, and a made-up story from a journalist cannot be a source of quotations," according to a statement on the company's web site.

The Constitution prohibits discrimination based on gender or religion, but for an individual to sue a business, he or she would need a written refusal to prove the grounds for the denial of service, said Eduard Sukharev, a Moscow-based civil lawyer.

The Labor Code also prohibits employers from refusing to hire people because of their religious beliefs.

But Maslov said Moskovskaya Troika was not in violation of the law, and that despite the largely hostile reaction in the press, business has been good.

"I had this idea to make money as I saw a market niche that hadn't been occupied yet," he said. The idea came to him several years ago when he met an Orthodox believer working as a private taxi driver.

"He gave me a business card saying he was an Orthodox man who provides a taxi service for the faithful," recalled Maslov, adding that he had since hired him.

The company distributes leaflets inside churches to attract clients, and 30 percent of its orders come from people who are looking for a ride to church or back home after a service. The rates are comparable to other major services in Moscow, charging 300 rubles, or about \$10, for the first half hour and 9 rubles for each additional minute.

Maslov declined to say how much he has invested. He runs the business with a partner, whom he identified only as a former executive at one of Moscow's taxi companies.

The businessman personally interviews would-be drivers, who he said must be baptized Orthodox and should have a car, preferably a Western model in good condition. "Most of our drivers are deeply religious people," Maslov said.

One of them is Pyotr Yurenkov, 43, who joined the company as soon as it was hiring.

"I worked as a driver for a private company, but then it collapsed, thank God. I was glad to find a place where you can work honestly and have a free schedule," he said.

Like all cars in the company's fleet, Yurenkov's Honda Civic was blessed by a priest.

Sometimes the company will offer a free ride to a senior church official, Maslov said, recalling how the company had driven a bishop and an icon painter around for a tour of Moscow churches for an entire day.

Galina Yastrebova, a priest's assistant in the Spas Nerukotvorny Church at Andronikov Monastery in southwestern Moscow, said she welcomed the idea of an Orthodox taxi but doubted that many churchgoers would use the service.

"Most of them are taking the metro or ask for a lift from other churchgoers," she said.

But she added that if she ever needed a taxi, she'd rather choose an Orthodox one.

"Orthodox people understand each other better," she said.

The Russian Orthodox Church also was supportive of the idea, although cautioning that the service should be respectful of others' beliefs.

"This is a good idea in general, because people who are usually reluctant to take cabs would feel comfortable sharing a car with a fellow believer," said [Vsevolod Chaplin](#), who heads the church's department for relations with the state. "But I would advise the owners not to treat people with other religious beliefs with disregard."

Maslov said he planned to expand the business to include transportation and moving services for corporate clients.

"There are people who are looking for businesses with an Orthodox view, who will not be able to cheat," he said.

Russia's Population May Be Rising, Medvedev Says

Russia may have bucked a post-Soviet population decline, President [Dmitry Medvedev](#) said Wednesday after announcing a 1.5 percent rise in the number of births during the first quarter.

"For the first time in recent decades ... the birth rate in our country has started to rise," Medvedev said, adding that 428,000 births had been registered in the first quarter, 1.5 percent more than in the same period last year.

Population forecasts are key to the economic models that see Russia growing much slower over the next 20 years than the other BRIC countries: Brazil, India and China.

A sharp change in population trends could improve growth predictions for Russia, though many experts say it is too early to call the end of the declines, which started in the chaos that accompanied the 1991 fall of the Soviet Union.

"I hope that we have managed to break those extremely unfavorable demographic trends," Medvedev told a Kremlin meeting to reward the parents of extremely large families.

But Medvedev, who administered a Kremlin drive to reduce the population decline while still a first deputy prime minister, did not mention that state statistics show that the overall population actually declined by 35,500 in the first quarter.

The decline was less steep than in the same period of 2009.

State statistics show Russia's population would have declined by 87,300 in the first quarter had it not been for migration, mostly from the former Soviet republics of Central Asia and the Caucasus.

Official forecasts factor in a whole range of variables that see the country's population either falling to 137 million or rising to 145 million by 2020. The figures for 2030 range from 128 million to nearly 148 million.

European arm wrestling championships open near Moscow

The 20th European Armwrestling Championships opened on Wednesday in the Moscow Region city of Mytischi, bringing together athletes from 23 countries.

"The XX European Championship is held between June 2 and 5. The competition involves 600 athletes, including men, women, juniors, disabled athletes and veteran athletes over 40," said a statement from the Moscow Region's Ministry of Press and Information.

The championship is held at the Mytischi Arena, with a capacity of 9,000.

MOSCOW, June 2 (RIA Novosti)

Experts will discuss how to stop Afghan drug trafficking on Thursday at 17.00 Moscow time (11.00 GMT)

Topic: International forum Afghan Drug Production: A Challenge to the International Community

Moscow-Washington video conference: What to do with opium fields in Afghanistan? Viewpoint of Russia and the United States will be broadcast live on en.rian.ru on June 3 at 5:00 p.m. Moscow time (11.00 GMT)

During the event, experts will discuss the following issues: finding joint methods of resolving the problem of Afghan drug production and trafficking by the international community; finding a compromise on the issue of eradicating poppy plantations in Afghanistan.

Participants in Moscow: Yuri Krupnov, chairman of the Monitoring Council of the Institute for Demography, Migration and Regional Development; Omar Nessar, head of the Center for Modern Afghanistan Studies (CMAS).

Participants in Washington: Caroline Wadhams, director for South Asia Security Studies at American Progress; Yossef Bodansky, director of research for the International Strategic Studies Association.

Porn Star Arrested in Night Club for Acting Like Porn Star

Italian police arrested Brigitta Kocsis, a 27-year-old Hungarian porn star. She has been accused of performing obscene acts in a night club in the presence of minors.

Police were alerted to the act after photographs and comments regarding the show were uploaded by several teenage users on Facebook.

The actress suspected in pedophilia was arrested in Montebelluna, 60 km north of Venice, and she is being held in a local prison in Belluno. The naughty criminal who was popular as porn star was charged with “performing obscene acts in the presence of minors,” *NEWSru Israel* reports.

Brigitta Kocsis (Bulgari) was born on 29 September, 1982. This natural platinum blond likes to call herself a "fashion model." She was competing in triathlons from ages 15 to 19. She started modeling during her first year of college, where she was studying to become a lawyer. She left college in Budapest three years before graduation, and went to Milan to model.

Her first porn movie , "Fashion," was shot in a gym . This was her first experience of on-camera sex with another woman.

In October 2005, Bulgari gained publicity by streaking an Italian football game between Piacenza and Catanzaro, clad only in briefs and a man's necktie. She was arrested, but ended up posing for a naked picture with a police officer.

Bulgari works in Milan and Rome, Italy, and lives in Budapest. After the repeated arrest she may lose her right to work in Italy.

EU chief raps Russia on human rights, media freedom – Reuters

ROSTOV-ON-DON, [Russia](#), June 1 (Reuters) - European Union President Herman Van Rompuy on Tuesday said Europe was seriously concerned about the difficulties faced by human rights activists and journalists in Russia.

"The situation for human rights defenders and journalists in [Russia](#) is of grave concern to the European public at large," Rompuy said at a briefing following an EU-Russia summit in the southern Russian city of Rostov-on-Don. (Reporting by Conor Humphries, writing by Guy Faulconbridge, editing by Steve Gutterman)

Russians Loath to Bind Love by Contract

Yekaterina, 28, a Moscow-based marketing expert, only signed a marriage contract with her husband after they decided to divorce and needed to split their apartment.

The property had been purchased with her money, but it was listed in both spouses' names, she said. Yekaterina's husband ultimately agreed to leave her with sole ownership of the apartment — a lucky outcome after weeks of worry.

"When all is well, you don't think about such things," she said in a phone interview, asking that her surname not be given.

According to official state data, of the nearly 1.2 million Russian couples who registered marriages in 2009, only about 25,000 — or about 2 percent — sealed contracts stipulating the terms of a divorce.

And that's with roughly 58 percent of the country's marriages eventually falling apart.

In the United States, most estimates show that about 4 percent of couples now sign a prenuptial contract, although the divorce rate there is about 43 percent.

The contracts run afoul of Russia's more traditional approach to marriage, experts said. Few can bring themselves to strike a bargain over affairs of the heart.

A prenuptial agreement treats the wife and husband as equal parties, which is unacceptable for Russia's traditional patriarchal view of the family, said Kirill Podyachev, a senior researcher at the Institute of Sociology with the Russian Academy of Sciences.

"Marriage is complete submission of a woman to a man," Podyachev said in a phone interview, mocking the traditional Russian attitude. "The wife's duty is to indulge her husband."

Agreeing on how to end a marriage before it begins also contradicts Russians' sentimental attitude toward that institution, said Alexander Tesler, a Moscow-based psychotherapist.

"Russians believe that love and a marriage contract are incompatible," he said.

The country's legal system only introduced the concept of a prenuptial agreement — or marriage contract, as its known in Russian — in 1996, said Alexander Latseiko, a spokesman for the Federal Notary Chamber.

In the Soviet era, there was little need for prenuptial agreements because most people had very little property to contest in a divorce, Tesler said.

But now, with a growing number of affluent Russians, more couples are deciding to settle a question that they hope will never arise.

In the last five years, the number of new marriage contracts has quadrupled from about 5,000 in 2005 to 25,000 in 2009, Latseiko said.

He said no social or age group was prevalent among those who turn to a lawyer before exchanging vows.

"Marriage contracts are the evidence of the country's prosperity," Tesler said.

Legislation on the contracts remains imperfect, however, as it only covers property rights, said Olesya Yermolenko, a lawyer at the Moscow firm Annexus. In the United States and Europe, similar laws also spell out household chores, alimony and the rights to children.

Yermolenko said her law firm drafts marriage contracts — which can be signed after the wedding as well — for two or three couples a week.

The business seems to fluctuate seasonally, she said, with a rise in the prime months for nuptials — March, April, August and September. Married couples think of contracts after holidays, especially the New Year, when "relations in the family heat up," she added.

The idea is gradually taking hold, as a 2008 survey by Levada indicated. Of the 1,000 urbanites polled in Moscow, St. Petersburg, Yekaterinburg and Novosibirsk, 59 percent approved of splitting property in a marriage contract. Only 13 percent disapproved of it, while 15 percent admitted to not understanding property issues. Thirteen percent were undecided.

Notaries also see an inflow of couples interested in marriage contracts after media reports about famous people wrestling over property, Latseiko said.

Most recently, billionaire [Dmitry Rybolovlev](#) has had to assure possible buyers of his [Uralkali](#) potash company that he is currently able to sell, since his wife has frozen most of his assets as part of their divorce proceedings in Switzerland.

Moscow tabloids also closely followed the divorce of [Viktor Baturin](#), a prominent businessman and brother-in-law of Mayor Yury Luzhkov, from his wife, pop producer Yana Rudkovskaya. The case hit the headlines in 2008 after Rudkovskaya had court bailiffs seize her husband's assets.

Media listed valuables such as "a decorative owl," and "an electric screwdriver," that were seized in Rudkovskaya's bid to collect the \$53 million settlement she demanded from Baturin.

'Muslim-Christian public prayer' held in Finland for success of the KGB (FSB) terrorist gang

"Pastor" Molari, whom church authorities has been promising to dismiss him from pastors and excommunicate for several years already but for some reason do not keep their promise, took part in the prayer from the "Christian" side.

"Muslims" were represented in the prayer by a notorious person, Abdullah Tammi, who was recently dismissed from his job in the management position in the system of Finnish Fire Fighting Service (according to some information because of his connection with the Russian terrorist gang of the FSB).

Previously, for the same reason he was denied entry to Estonia. The Estonian police do not inform what exactly these suspicions are.

We can only assume that Tammi was not allowed to enter Estonia because of his ties with Kadyrov, who sends his killers across Europe under orders from the KGB (FSB).

In December 2009, Abdullah Tammi was expelled from the Islamic Party of Finland for public support of killing of Muslims in Chechnya by Russian occupiers.

Tammi gave a press conference in Helsinki "condemning Islamic terrorism in Chechnya and the North Caucasus".

According to him, "international terrorists harming Islam" are acting in Chechnya against Russia.

After this scandalous statement Tammi was forced to resign from his chairman post of his party.

As Abdullah Tammi himself announced, "he took such a decision because of disagreements with other leaders of the party".

"It is a somewhat simplified view of the situation. Tammi condemned terrorism in Chechnya, but said nothing about the country (Russia - KC)", the Finnish newspaper Helsingin Sanomat quoted one of the leaders of the party, Sauli Ingman.

On June 2, 2010, in a joint ecumenical "public prayer", the two friends of Russia specifically prayed for "blessing, success and effectiveness" of terrorist activities of the FSB. It is not clear if Russian KGB-FSB terrorist "residents" from the spy and killer den, called Russian Embassy in Helsinki, attended the prayer.

One Finnish Christian wrote in Molari's blog that devil took hold of this "pastor" and that only a man possessed by Satan, like Molari, can pray for the success of terrorists who killed Politkovskaya and many others.

Food, Energy & Environment:

Poverty in Russia Disappears in a Remarkable Manner

the level of extreme poverty, when family income measures 50 percent and lower than the living wage, made up 1.1 percent, which is also the lowest index. In 2008, the level of poverty made up 4 percent.

Russia Today: Kidnapping - an easy way out of poverty?

The research says that Russia has achieved very good results in the struggle with poverty. The situation among most vulnerable layers of the population – children and the seniors – has improved. The number of children living in extreme poverty dropped from 3.1 percent in November 2008 to 1.4 percent in November 2009. Poverty among senior citizens decreased 2.5 times – from 1.5 percent to 0.6 percent. Only one of 1,000 seniors lives in a household with the income of 50 percent less than the poverty line.

As for Russian regions, the lowest level of poverty has been reported in Moscow and St. Petersburg (1.3 and 1.6 percent respectively). The number of poverty-stricken children is the largest in Siberia and the Far East (9.8 percent).

The latest study from the RLMS said that the economic crisis affected both the income and the spending of the population. The average income of households dropped by six percent from November 2008 to November 2009. It marked the first decrease of income since 1998, the report said. The spending of households had a 12-percent reduction from November 2008 to November 2009, which also became the first reduction of spending after the collapse of the Russian national currency in 1998.

The level of the total real expenditure is currently 22 percent higher than the peak level registered in 1993 and 1994, which most likely reflects the traditionally high growth of Russian prices and tariffs.

However, the most important criterion of poverty – the share of spending on food in a family budget - has been decreasing steadily. The average share of the budget on food dropped to 44 percent: the Russians used to spend 73 percent of their income on food in 1993-1994.

Shine the Light on Israel: Will Israel Murder or Jail Humanitarian Peace Activists?

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The initiative, known as the Freedom Flotilla, arrives in Gaza tomorrow morning. The convoy ships will be carrying more than 10, 000 tons of humanitarian aid including medical supplies, building materials, 100 prefabricated homes and 500 electric wheelchairs for the handicapped.

They sound like a real threat to the security of the State of Israel, especially those electric wheelchairs. Why a Palestinian might just be able to run over the toe of an Israeli occupation force member before seeing their child shot to death in cold blood.

Israel has vowed to stop the Freedom Flotilla at all costs. At all costs? Why? Is it because they have the hand of Washington protecting them in everything they do? There is no crime they can commit that Washington will not protect them from the consequences of.

According to international law, Israel has no authority over Gaza's waters. So perhaps they should worry only about their own border. However, at this point, they haven't decided where that border ends. What's theirs is theirs and what's yours is theirs too. Right to exist? That is only for Israel and Israelis.

[Humanitarian](#) aid means nothing to Israel, they thought nothing of throwing Green Party American political activist Cynthia Mc Kinney into jail as she tried to assist in the delivery of humanitarian aid. Cynthia was engaged in delivering terrible weapons of mass destruction to Gaza: crayons for Palestinian children.

When will the world community stop looking the other way as people are starved and denied the basics for life? When will they stop looking the other way while innocent civilians are used to test the newest [weapons](#) technology? How many burned and maimed children, how many starving, dying, malnourished children are going to finally make them open their mouths? One of the favourite tactics of these psychopaths is to kill with silence.

In light of these well documented facts regarding the treatment of Palestinians, perhaps Israel should stop trying to insult our intelligence by playing the victim card.

520-Day Mars Flight Simulation Begins

The Mars-500 experiment — conducted by the Moscow-based Institute for Medical and Biological Problems in cooperation with the [European Space Agency](#), or ESA, and China's space training center — aims to reproduce the conditions of space travel, with the exception of weightlessness.

"For me, it will be mainly my family, and the sun and fresh air," French participant Romain Charles said when asked by reporters what he would miss most during the 520-day confinement.

The researchers will communicate with the outside world via the Internet — delayed and occasionally disrupted to imitate the effects of space travel. They will eat canned food similar to what is currently offered on the international space station and shower only once a week or so. Crew members will have two days off a week, except when emergencies are simulated, though they will still be in the capsules.

"Certainly, the crew is largely on its own here, with very limited communications with the outside world," said Martin Zell, of the ESA's Directorate of Human Spaceflight.

"They have to cope internally with a lot of conditions and to organize themselves."

A real mission to Mars is decades away because of huge costs and massive technological challenges, particularly the task of creating a compact shield that will protect the crew from deadly space radiation. U.S. President [Barack Obama](#) said last month that he foresaw sending astronauts to orbit Mars by the mid-2030s.

The crew members said they were confident of success. Diego Urbina, the Italian-Colombian member, told a news conference that for him it would mean "accomplishing dreams about the future, doing something that no human has done before."

Psychologists said long confinement would put the team under stress as they grow increasingly tired of one another's company. Psychological conditions can be even more challenging on a mock mission than a real flight because the crew will not experience any of the euphoria or dangers of actual space travel.

French participant Romain Charles said he was bringing along a guitar to warm the atmosphere. Others said they would bring books, movies and pictures of their relatives.

The crew will split their days into eight hours of work, eight hours of sleep and eight hours of leisure.

"The routine is much more than on a real mission, there is a little bit less thrill," Zell said.

"But I think their team spirit — and their motivation to go there and to accomplish the whole mission — is enormous."

As part of efforts to keep the crew in good spirits, they will play an "interplanetary" match with former world chess champion Anatoly Karpov at some point during the experiment.

The facility for the experiment is in western Moscow and includes living compartments the size of a bus connected with several other modules for experiments and exercise. A separate built-in imitator of the Red Planet's surface is also attached for a mock landing.

The mission director, cosmonaut [Boris Morukov](#), said the experiment could be disrupted for medical or technical reasons or if some of the participants categorically demand that it be stopped.

"Each crew member has the right to end the experiment and walk out," he said at a news conference. "We have had such negative experience in the past, and I hope it won't happen during this experiment."

A similar experiment in 1999-2000 at the same Moscow institute went awry when a Canadian woman complained of being forcibly kissed by a Russian team captain. She also said two Russian crew members had a fistfight that left blood splattered on the walls. Russian officials downplayed the incidents, attributing them to cultural gaps and stress. Morukov said the organizers had considered some female candidates for the current experiment, but they hadn't been chosen for various reasons. "Selecting an all-man crew wasn't our goal," he said.

Other crew members include Russians [Alexei Sitev](#), 38, Sukhrob Kamolov, 37, Alexander Smoleysky, 33, and Wang Yue, 26, from China. The organizers said each crew member would be paid about \$97,000 for taking part in the experiment.

For Sitev, the mission captain, the experiment means separation from his wife just a few weeks after the two tied the knot. "It's difficult for me to part with my family, just as it is for any other person," he told reporters just before stepping in.

Geo-strategic:

Terrorists still trying to access nuclear materials - Russia's security chief

Terrorists have not given up their attempts to access nuclear materials in Russia and former-Soviet republics, the head of the Russian Federal Security Service said on Wednesday.

He said the possible use of nuclear components by terrorists in preparing attacks was separately discussed at the meeting.

"We are constantly paying attention to this issue," he said.

He did not specify which terrorist groups he believed were seeking nuclear materials.

The safety of nuclear stockpiles was the focus of the April 12-13 [international nuclear security summit in Washington](#).

Russian President Dmitry Medvedev stressed at the summit the risks of terrorists obtaining nuclear material.

"This is a real threat, and we should work to counter it," Medvedev said.

Russia Becomes Involved in Korean Conflict

A group of Russian experts arrived in Seoul, South Korea, today to study the results of the investigation of the sinking of the Cheonan corvette, which blew up and sank in the Yellow Sea on March 26, *Itar Tass* reports.

A group of military and civil experts from South Korea, the USA, Britain, Australia and Sweden said at the end of May that the Cheonan had been destroyed as a result of the torpedo attack. The torpedo, the experts said, was fired from a North Korean submarine. They demonstrated the torpedo pieces supposedly retrieved on the wreck site from the

sea floor. It was said that the marks on the fragments of the torpedo indicated its country of origin – North Korea.

Russia Today: Second Korean war possible

A source at the General Headquarters of the Russian Federating Armed Forces said that the investigation of the incident with the Cheonan would have been more objective if Russian observers had taken part in the process from the very beginning.

In the meantime, South Korea continues to hold military drills to set its troops on high alert in case of possible attack from the North. North Korean officials stated that they refused to observe the agreement with the South about the prevention of inadvertent clashes between the navies of the two countries. Pyongyang also said earlier that it had cut all ties with the South.

The development of the crisis largely depends on the positions of other nations that play key roles in the region. The USA, which has a 28,000-strong contingent in South Korea, fully supports its ally. US official stated that the United States would conduct naval drills with the participation of the South Korean navy. However, China, North Korea's guardian, is not willing to sing in the choir with the USA and its allies. A high-ranking Chinese official stated that it was a very complicated issue and that china was studying the information arriving from various sources.

Russia's Military Weakness May Lead to USA's Aggression

Russia's aerospace security is in danger. The commander of the Russian Air Force Anatoly Kornukov and the former chief for procurement of the Russian Armed Forces Anatoly Sitnov stated that the military hardware of the Russian aerospace defense system was outdated. The nation's defense complex, which produces the weaponry for air and space defense, is in a deplorable state, the two officials said.

As a result, Russia has fallen 25 or even 30 years behind its potential enemies in air defense technologies.

“Nowadays, military space attacks decide everything. The experience of the recent local wars is a very good proof for that. The USA, however, has been developing its forces successfully. They have launched a military spacecraft, a fifth-generation jet, and they also work on the Prompt Global Strike concept,” Kornukov said.

Anatoly Sitnov stated that Russia had lost over 300 unique technologies in the field of combat air force and missile defense. It goes about the reusable space transportation system, super heavy An-225 Mriya aircraft, a military orbital complex and developments in the field of missile technology.

“Those who conquer space, conquer the world. When we were launching laser weapons into space, we were told that space should not be militarized. We stopped the project, but the USA continues to test such weapons,” Sitnov said.

Pravda.Ru interviewed military experts Vladislav Shurygin, Alexander Khranchikhin and Ivan Yerokhin to find out if they agreed or disagreed with the views of the above-mentioned officials.

“Kornukov’s and Sitnov’s remarks are a reflection of today’s severe reality. Russia has not been making anything new in the field of aerospace weapons. The things that we have now come from the times of the USSR. This goes to the fifth-generation jet too,” Mr. Shurygin said.

“We have decommissioned about a thousand of combat planes which could not operate due to the lack of spare parts. Most of the planes that we have now will be decommissioned in six years maximum.

“As for the aerospace weapons, Russia gave it all up while NATO has been working on the project very actively. That is why NATO members take the colossal advantage of Russia in the field of informational and analytical systems, communication, navigation systems, etc. All of that is the result of the policies which Russia has been conducting in its defense complex since the 1990s.

Russia To Design New Long-Range Strategic Bomber

“It has been decided. I am saying this openly, clearly and loudly,” the official said.

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.

Russian specialists to adjust ISS orbit prior to Soyuz spacecraft docking

Russian specialists will adjust the orbit of the International Space Station (ISS) on May 5 and 8 prior to docking of Russia's Soyuz TMA-19 spacecraft, a spokesman for Mission Control said on Saturday.

Valery Lyndin said the ISS will be raised on Saturday by 7.5 kilometers (4.7 miles) and the orbit will be also twice adjusted on Tuesday for the Russian spacecraft, which is scheduled to blast off from the Baikonur space center in Kazakhstan on June 16.

Corrections to the space station's orbit are conducted periodically before launches of Russian cargo ships and U.S. shuttles to compensate for Earth's gravity and to safeguard successful dockings.

This year Russia has planned to launch four manned and six cargo supply missions to the ISS.

Russian missile cruiser heads to San Francisco on friendly visit

A task force from the Russian Pacific Fleet led by the missile cruiser Varyag set sail on Friday on a friendly visit to the United States, a RIA Novosti correspondent reported.

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.

The naval group, which also includes the Fotiy Krylov salvage tug and the Boris Butoma tanker, will make a port call in San Francisco during a month-long voyage.

"The visit is to... further develop friendly relations between the fleets of Russia and the U.S.," a spokesman for the Pacific fleet said.

During the visit to San Francisco the Russian sailors will get acquainted with the city and its history, while San Francisco residents will be able to visit the ship, meet with the crew and listen to the music performed by the Pacific Fleet's orchestra

In April 2009 the [Varyag led a group of 21 foreign naval vessels](#) participating in a parade to mark the 60th anniversary of China's Navy off the coast of the eastern city of Qingdao.

In November last year the flagship of the Pacific Fleet visited Singapore.

Russia to transfer its Nerpa nuclear sub to India in autumn 2010

Russia will transfer its Nerpa nuclear-powered attack submarine for a 10 year-lease to India in the autumn, the head of the Russian Federal Service for Military-Technical Cooperation has said.

"The training of the crew has been concluded, most of the tests have been carried out — everything is almost at the finish line," Mikhail Dmitriyev told journalists in New Delhi

after a meeting of the Russian-Indian high-level supervisory committee on military and technical cooperation on Tuesday.

He said India would receive the K-152 Nerpa submarine in October or November 2010.

The Nerpa, the Akula-II class nuclear submarine, was scheduled to be inducted in the Indian Navy as INS Chakra by mid-2008 but technical problems delayed the process. After that, just as it began its sea trials in November 2008, 20 sailors and technical workers were killed on it due to a toxic gas leak when the automatic fire extinguishing system malfunctioned.

After repairs, which cost an estimated 1.9 billion rubles (\$65 million), the Nerpa is now fully operational.

Akula II class vessels are considered the quietest and deadliest of all Russian nuclear-powered attack submarines.

Dmitriyev also expressed hope that Russia and India would sign a contract on the joint development of a new fifth-generation fighter within the next three months.

The sides earlier agreed to develop both a single-seat and a two-seat versions of the aircraft, which would be most likely based on Russia's T-50 prototype fifth-generation fighter, by 2016.

Russia has been developing its fifth-generation fighter since the 1990s. The T-50 aircraft was designed by the Sukhoi design bureau and built at a plant in Komsomolsk-on-Amur, in Russia's Far East.

Russian officials have already hailed the fighter as "a unique warplane" that combines the capabilities of an air superiority fighter and attack aircraft.