

World Terror Alert

May 9, 2013

TERRORISM

“I SURVIVED THE TERROR ATTACK”

By Margarita Bogatova
The Voice of Russia Staff Writer

Olga Protas has celebrated two birthdays each year since October 2002. She was 15 when terrorists took her and 916 other people in the audience of Russia's Dubrovka Theater in Moscow hostage. The event has become known worldwide as “the Nord-Ost siege”. About 50 militants rushed into the building during the middle of the performance and held the audience and staff at gunpoint for 57 hours. Shortly thereafter, 90 hostages managed to flee the building or hide. The terrorists were heavily armed and were led by Movsar Barayev. The hostage takers didn't let the prisoners receive medical assistance, food or water and suicide bombers threatened to martyr themselves if the hostages attempted to overpower them. The siege resulted in at least 130 civilian deaths, not counting the 40 attackers, and in total, more than 700 hostages were injured. Over 750 hostages were rescued by the special services.

“I clearly remember when we understood that something was going wrong and when we saw terrorists come onto the stage, people were shocked, nobody could understand what was going on because the actors were dressed in the same military uniforms” – Olga explained. Even 10 years after the Moscow theater hostage crisis, she remembers the minute details of the two and a half day ordeal.

“After a couple of minutes, we saw the huge 1.5 meter bombs being brought into the theater, and we realized that it is not part of the show, that something terrible is going on.” Olga's relatives believe that the rescue operation gave her a second chance to live and mark the day of rescue, October 26, every year.

After the July 7, 2005 London bombings, Jackie Patman suffered from minor injuries and post traumatic stress disorder. She was on her way to work when four homegrown Islamist terrorists detonated four bombs across the city, three in quick succession on London underground trains and later the fourth bomb on a double-decker bus in the center of London. This tragedy took the lives of 52 civilians and the four bombers. Jackie was among the 700 injured.

“I only recently discovered the force of the bomb and given how close I was to it, I actually should have died. And I think it's the construction of the train that probably saved my life and the lives of the other people who were in my carriage” – she noted.

“The train pulled out of Edgware Road station and was gathering speed in the tunnel. There was a flash and the air was full of glass, tiny shards of glass.” The sound of the explosion was like fireworks, Jackie recalled. “Very shortly after that there was smoke. Well, it's hard to know if it was smoke.

“EXTREMISM DOESN'T HAVE A HOMETLAND”

A terror attack is the most grim occurrence which pulls people together. Be it a group of survivors meeting to share their feelings and reminisce about loved ones lost, a joint operation by international services working on its prevention, or even extremists themselves who have become inspired by yet another attack seen on the news, these attacks create a strong connection of a special kind. The Boston marathon bombing has reminded society of the ongoing war against terrorism which started after 9/11. Each terror attack affects countless lives and each person has a story, proving that no one is immune to terrorism.



Illustrated by Elena Kulinich

I think it was, it covered the inside of the tunnel walls, it was in the air and that's what made it very hard to breathe. So, you couldn't see anything. But then we could hear screams.”

“I think we were trapped for about an hour and then we were evacuated from the building. I was escorted past the worst of the carnage.” International media has called this Britain's first ever suicide attack, and the deadliest bombing in London since World War II. A few days afterwards, Jackie met with other victims of the 7/7 attack and noted that most of them share the same feelings and emotions.

Nine hundred eleven days after the September 11 attacks in New York City, the morning of March 11, 2004 saw Madrid get rocked by simultaneous coordinated bombings on the train system of the Spanish capital. Ten explosions hit four commuter trains between 7:37AM and 7:40AM local time. Al-Qaeda reported its involvement in the attack, which took the lives of 191 and left at least 1,800 people injured.

The beginning of the 2004 school year was marred by one of the most

cynical and dramatic attacks performed by terrorists in the history of mankind, known as the Beslan school hostage crisis in School 1 in one of the small cities in Southern Russia. On September 1, a group of armed radical Islamists in balaclava masks stormed the school and took more than 1,128 people hostage, including 777 children. Among the terrorists were suicide bombers. The hostages weren't allowed to eat, drink or use the toilet, and were forced to kneel in the school gym during the entire siege. Anyone ‘misbehaving’ from the terrorists’ point of view was shot or injured. The hostage takers didn't allow any of the dead bodies to be removed from the scene.

“When the siege began, I was so scared I ran, but our teacher caught us and said ‘please, follow me or they will shoot you’, so we went to the gym where they kept us. We sat and watched how they began hanging their grenades on chairs and basketball hoops. We were forced to kneel, our hands behind our backs” – Alina Tsgoeva, one of the hostages, remembers. She was only 9 years old, and she

was just starting the second grade. Her knees were horribly injured by the debris from the terrorists’ explosives. Even after several operations, she still has some shrapnel embedded in her leg.

A total of 354 people, including 185 children, died and some 783 people were injured.

The dual bombing at Boston's Boylston Street during the annual marathon on April 15, 2013 left 3 people dead and injured more than 260. No international radical organization has claimed responsibility. American police killed one of the suspects, permanent resident of the US an ethnic Chechen Tamerlan Tsarnaev, in the shootout on April 19, four days after the attack. The second suspect, Tamerlan's younger brother, 19-year-old US citizen Dzhokhar Tsarnaev, was later found in a boat in a backyard in Wattertown, Massachusetts. The surviving suspect is now being kept at the Federal Medical Center Devens, due to severe injuries. Dzhokhar Tsarnaev, a follower of radical Islam, has claimed responsibility for the marathon blasts and said that the motive for the massacre was America's foreign policy.

US-RUSSIA DIALOGUE

DO TERRORISTS HAVE A HOME?

President Vladimir Putin called Russia one of the earliest victims of international terrorism. “It's not about nationality or religion, as we have said a thousand times – what is at issue here is extremism”.

Putin called for an increase of joint anti-terrorism work between Moscow and Washington. Real cooperation should replace empty declarations that terrorism is a common threat, he stated. “I just want to ensure that this tragedy has prompted us to boost cooperation in addressing common threats, one of which – the most important and dangerous one – is terrorism. If we really join efforts, we will not have any more attacks such as this and we will not bear losses such as these again.”

Ironically, terrorists have their own way to unite, said Mark Sleboda from the Department of Sociology and International Relations at Moscow State University. People are becoming radicalized through the internet and media, and this gives them a chance to spread radical messages and compare notes, the expert said.

“Terrorism doesn't require participation in an active cell. Terrorism is an idea now. Extremists view themselves as part of a global community and their world is under assault. They're fighting back in any way they can” – Sleboda noted. Due to fundamental differences in opinions, radical extremists' communities and the rest of the world face massive obstacles in finding common ground.

However, it is clear that terror attacks are being performed by people without any link to their home country; they oppose some idea or political cause of the country that they act out against. The suspected architects of the Boston massacre never lived in Russia; they are homegrown US terrorists, which proves the fact that extremism does not have a home.

“Even if the Tsarnaev brothers were not connected to any specific registered international terrorist organization, the problem is that they were militant Islamists, that they held these views” – political analyst Dmitry Babich commented. “And now, thanks to the so-called Arab Spring, we are going to have at least five more radical Islamist states in the world”

Terrorist attacks might be viewed as a failure of multiculturalism or immigration policies. These are the issues where Russia has the most experience, said Mark Sleboda.

“The issue of multiculturalism in Russia and the West is completely different because Russia has 185 ethnicities; they've been part of Russia for well over 200 years, going all the way back to the time of the Golden Horde.” Multiculturalism, which is an intrinsic part of Russia, is relatively new in Western countries, and it is completely historical and is the result of quite different values inherent to each ethnic group – the expert said.

The Tsarnaev brothers' ethnic background might become a reason to misinterpret the Boston bombings as an act of ingratitude to the US for granting them citizenship. The American mainstream media has shown support to the Chechen separatists, followers of radical Islam. “I have always felt outraged when our Western partners, as well as your colleagues from the Western media, referred to our terrorists who committed brutal, bloody, appalling crimes on the territory of our country, as ‘insurgents’” – President Vladimir Putin said. “They provided assistance to them, information support, financial and political support – sometimes directly and sometimes indirectly, but it always accompanied their activities on the territory of the Russian Federation” – President Vladimir Putin told the press.

“Both 9/11 and the Boston bombings have their motivation primarily within US foreign policy, not domestic policies. They are not attacking them for their democracy and freedom, they are attacking them because of their foreign policy in the Islamic world” – Sleboda continued. Most of the radical Islamists' attacks are against the support of dictators, such as Saudi Arabia, Bahrain and Qatar, the support of the Israeli occupation of Palestine, the hundreds of US military bases around the world with tens of thousands of troops, the concept of forcible regime change and tools of war such as drones, the expert added. “If there weren't any wars in Iraq and Afghanistan, then we wouldn't see the majority of the terrorist attacks in the Western countries that we are seeing today” – concluded Sleboda.

LIVING SIDE BY SIDE WITH TERRORISTS

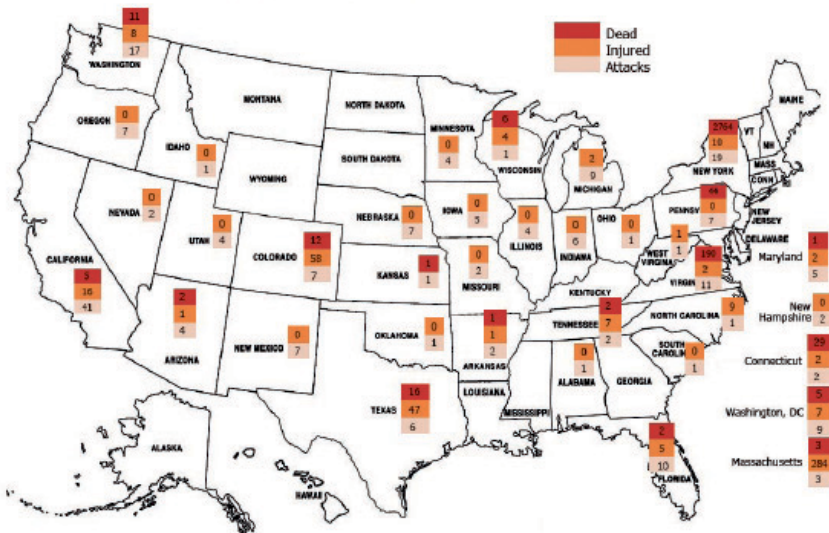
However, effective cooperation is possible only if partners have a good understanding among themselves, noted Sergey Markedonov, visiting Fellow at the Russia and Eurasia Program of the Center for Strategic and International Studies in Washington. He said that US-Russian cooperation could not be effective if it were selective. The US is ready to help Russian territorial integrity, but there are a few points which are impossible to be resolved without taking into account a broader view of the Middle East, Syria and Afghanistan, the expert said. “As for the foreign policy aspirations, the West, and especially the United States, is not ready to understand Russian concerns” – Markedonov said. And this is one of the main obstacles impeding progress on joint efforts against international terrorism.

The countries should increase cooperation between the intelligence services, which is of critical importance. The joint effort between international anti-terrorist services has increased since the terrorist attack in Madrid in 2004 and London in

2005, says Dr. David Lowe, a former policeman and currently a terrorism expert from Liverpool's John Moores University. “They release separate terrorism situation reports, and they have a greater role in coordinating efforts, for example, the Bundeskriminalamt in Germany.” But more needs to be done, Dr. Lowe said. “Those who want to commit these acts always try to be one step ahead.”

When it comes to responding to terrorism, the world needs to forget petty politics and work together, said John Feal, a 9/11 responder and founder of the Feal Good Foundation, an advocacy group for 9/11 first responders. Boston will fade into the people's memories, because global society moves on, Feal said. But it should become an alarm bell ringing for all of us to hear that reminds us that any place in the world, be it London, Moscow, Madrid, New York, might become the next target for international terrorists. And to prevent this from happening again, society needs to strip unnecessary politics away from the debate and work together to prevent this from happening again. Otherwise, 9/11 could seem like child's play compared to what the world may become tomorrow.

Terror attacks in the United States since 2001
State-by-state breakdown (*Global Terrorism Database data)



US states that fielded the most terror attacks from 1970 to 2011 and reported the highest death toll

| State | Deaths | State | Attacks |
|--------------------|--------|------------------|---------|
| 1 New York | 2818 | California | 574 |
| 2 Virginia | 196 | New York | 492 |
| 3 Oklahoma | 170 | Puerto Rico | 241 |
| 4 California | 61 | Florida | 144 |
| 5 Pennsylvania | 48 | Illinois | 108 |
| 6 Puerto Rico | 22 | Washington | 88 |
| 7 Texas | 19 | Washington, D.C. | 81 |
| 8 Colorado | 18 | Oregon | 60 |
| 9 Washington, D.C. | 17 | Massachusetts | 50 |
| 10 Florida | 15 | Texas | 48 |

Source: Global Terrorism Database data

TOWARD A US-RUSSIA DIALOGUE



«We wish not to meddle with the internal affairs of any country»

Thomas Jefferson

By Edward Lozansky and Vlad Sobell

On 8-9 May the world commemorates the anniversary of the end of the deadliest conflict in human history – the Second World War. The defeat of Nazi Germany in May 1945 and Imperial Japan three months later was possible only because the world's leading democracies at the time – the United States, Britain and France – forged an alliance with Stalin's totalitarian Soviet Union. Unfortunately, that alliance quickly fell apart and a new global confrontation – the Cold War – flared up. Peace in Europe and throughout the world remained elusive for another four decades.

A new chapter opened in 1991 when the Soviet Union collapsed thus liberating about 30 Captive Nations, including Russia from communism.



Promote Democracy
at the Russia House
1800 Connecticut Avenue, NW

Unfortunately, instead of offering a helping hand to Russia on its difficult path to freedom and democracy and for the implementation of painful economic reforms like US did for the defeated Germany and Japan in WWII the West's response to those developments was to expand NATO to Eastern Europe and the Baltic states and to make a great effort to absorb Ukraine and Georgia into NATO as well.

From Russia's perspective, an enlarged NATO moving toward its borders caused considerable concern. Russia did not perceive the West as posing a threat; but, as a staunchly independent Eurasian power – one whose military might had been weakened following the collapse of the USSR – it was worried that its sovereignty could be compromised. At the same time, it asserted the right to develop its democracy in line with its own political traditions – an approach that has often been at odds with the Western model.

Many of the differences and misunderstandings that mar US-Russia relations today stem from this period. But they are not insurmountable – far from it. Russia, after more than a decade of relative prosperity, is now better placed to accept realities beyond its borders. For its part, the West is surely able to acknowledge that democracy-building requires time and patience and that Russia has the right to conduct its affairs free from external pressure.

Unlike the Soviet Union, today's Russia is at peace with itself and ready to cooperate with any country in the shared interests of stability and economic development. Above all, it is preoccupied with its economic transformation. And for the first time in its history, Russia has no territorial or imperial ambitions; instead, it is focused on the preservation of its integrity and the struggle against terrorism.

The most serious threats to the West today are the ongoing economic crisis and the rise of Islamic terrorism. For the first time since its rise some two centuries ago, the West is faltering. America is grappling with intractable fiscal problems while the Eurozone – if not the EU itself – is being shaken to its very foundations. The failure to address these problems effectively could result in Western democracy losing its global appeal as a model to emulate.

In these difficult times of struggle against global security and economic threats, the America and Europe have potential powerful allies – Russia, China, and other major emerging powers. While the Western pillar of the global economy remains shaky and must undergo reconstruction, countries such as these are emerging as a new stabilizing force.

The West can no longer afford to ignore offers of partnership from these countries and must therefore to establish constructive relations with Rus-



sia, China and other willing countries to deal with the contemporary global threats.

It is in this spirit that the American University in Moscow, in partnership with the Voice of Russia (there is a standing offer to Voice of America to join), has assembled an Expert Panel to provide regular comments on current developments that impact US-Russia relations and international politics in general. A selection of commentaries by the leading American, Russian and European experts forms the bulk of this insert, which we aim to print on a regular basis.

The list of these Experts is constantly growing and we invite all those who would like to join this group to do so.

Our goal is to develop a full-fledged

dialogue in which a broad spectrum of analysts and commentators make actionable proposals on how to overcome the issues that impact negatively on relations between the US and Russia and try to develop a positive and mutually beneficial cooperation agenda.

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REALISM AND IDEALISM, WORLDS APART

By Gilbert Doctorow

The foreign policy of the Russian Federation is guided by Realpolitik, or realism, meaning interest-based, indifferent to the domestic regimes of other powers and sensitive only to shared or conflicting interests with their governments. The basic foreign policy of the United States today is guided by Wilsonian idealism, meaning values-based and insistent that peaceful and enduring relations can be forged only with other democracies.

These positions are compatible to the extent the two sides want them to be compatible. And the driver is one side only, the United States. This is true firstly because America's idealism has assumed an almost religious fervor, which it alone can temper when it so wishes. Russia's realism is by definition pragmatic. Secondly, any change in this state of affairs has to come primarily from the American side since the US is the arbiter of the world order and its will determines the very nature of that order.

As it turns out, the United States' identification of other states as democratic is quite elastic, just as the identification of "free world" countries was elastic in the days of the Cold War. During the George W. Bush administration, countries that might otherwise be viewed by neutral onlookers as satrapies, dictatorships and so forth were routinely called "young democracies" by the United States, if no other fig leaf was available to justify the quest for privileged relationship. Thus, Ukraine and Georgia were promoted by the US to become NATO members, notwithstanding the objective political situation in each of those countries. Meanwhile, Russia, which had considerably greater claims to free and fair elections, to respect for freedom of expression and other liberties, was relegated to the category of authoritarian state or "autocracy," where it remains today in the American cosmology.

Hence, if you want to see what prospects there are for rapprochement or even a strategic alliance between Russia and the United States, you have to look somewhere else than the realist/idealist divide in the principles guiding their foreign policies. I see two factors explaining why the United States so gleefully places Russia in the "autocracy" list, which then allows it to discredit that country as illegitimate and unworthy of close relations. The first is the unwillingness of Russia to kowtow to America's global hegemonic aspirations. Russia under Vladimir Putin is virtually the only major country in the world that publicly disputes America's diktat. This is not only because of the personal convictions of Russia's leadership but also because Russia has minimal trade or other dependency on the United States and so can do as it pleases. And what pleases Russia is displeasing to America. Russia



does not turn the other cheek; rather it applies the policy of an eye for an eye both at diplomatic slaps and at less visible but more tangible threats to its wealth and security in the form of American-led pipeline diplomacy and military encirclement of Russian territory.

The second factor is Russia's objective inability to fit in the small box in which America would like to contain it in order to stop Russia from being a regional, not to mention world power. There was talk in the late 1990s, when chaos reigned in Russia and centrifugal forces were pulling the country apart, that the Federation might split in three. At least that was the hope openly expressed by Zbigniew Brzezinski and quietly nourished by other American politicians. That did not happen. A renaissance Russia has no place in the global vision of American foreign policy. It cannot be categorized other than as an "autocracy," whatever the facts on the ground.

All of the foregoing does not mean that the sides cannot do business or work together on selected projects. They can and they will. But it is pointless to hope for any broader cooperation until some emergency develops where the United States absolutely needs Russian cooperation and support. Such moments do come, from time to time. The last such moment came after 9/11 and it was squandered by President Bush. Perhaps a future president will be more reasonable. The contingency factor in history should not be underestimated.

In the meantime, to pave the way for some closer accommodation in the future, the American government should at least put its house in order over its Russia policy. A good start would be to cut the purse strings to Freedom House; this organization, which is 80% government-financed, vehemently opposes the "re-set" and publicly lobbies its paymaster to reverse course. It is as if the US Government were putting cash into the NRA while trying to pass gun control legislation. If the intellectual agora in America is cleared of some of the Russophobe clutter, cooler heads may prevail.

Gilbert Doctorow is a Research Fellow of the American University in Moscow

ONE DAY IN WWII WHICH I WILL REMEMBER ALL MY LIFE

By Frank Shatz

President Franklin D. Roosevelt was fond of saying that he grew up in a small town – Hyde Park, NY – and that he always was thinking in small town terms. Thus, when faced with problems of international scope, he used to draw on lessons learned from his small town experiences.

I feel the same way. When analyzing US-Russia relations, I remember my first encounter with Russian soldiers. It was during the siege of Budapest in 1944-45.

Each building in the inner city became a Nazi fortress and the Red Army units were able to advance only slowly and at the price of heavy casualties. The streets of Budapest were littered with dead bodies of soldiers and civilians. During a night of heavy fighting, I happened to duck into the entrance hall of a large apartment building. Suddenly, I heard a someone whispering "Spion, Spion," which means "spy, spy." Before I had a chance to utter a word, I felt the barrels of several Kalashnikov assault rifles pushing against my ribs. I started shouting, "I am not a Spion, I am a Jew."

From out of nowhere, in the dark of the night, a voice called out, "Yakov, idy suda," (Jacob, come here.) The gun barrels were still pushing against my ribs when Yakov said, "Say something in Hebrew."

I, a lapsed Jew, had to think hard. But then out of the recesses of my memory, I started to recite, "Shema Yisrael, Adonai elohenu..." the Jewish equivalent of the Lord's Prayer.

Yakov stepped forward, embraced me and said to his fellow soldiers, "He's okay. He's not a Spion." I was given food and provided shelter by the Soviet soldiers. Although the war in Europe raged on for another three months, it was over for me on that night, in the entrance hall of that building in Budapest.

After returning to my hometown in Czechoslovakia, I moved on. I became a foreign correspondent based in

Prague, for Hungarian newspapers. But Soviet-imposed Communism soon made a shambles of my life. Significantly, my wartime experience with ordinary Russian soldiers made me forgo associating Communist repression with the Russian people.

Following my escape from Communist Czechoslovakia and after finding refuge in the United States, I was surprised to notice how much similarity there was between ordinary Americans and Russians. Both were "big-hearted," friendly, generous people, with a "frontier" mentality. I have always believed that they have so many characteristics in common that co-existence would come naturally.

Alas, during the decades of the Cold War that belief turned out to have been an impossible dream. But today I feel the same way as James Collins, former US ambassador to Moscow, who has been quoted as saying: "I see no fundamental reason why Russia and the US could not find common purpose and means of cooperation to address the real issues that face both of our peoples."

Frank Shatz is a Columnist for the Virginia Gazette and The Lake Placid News



American and Russian military meet at the Elbe River in Germany on April 25, 1945

BREAKING THE CODE OF HUMAN RIGHTS

By Patrick Armstrong



Many countries like to think of themselves as a shining example for others, but the US seems more prone to this belief than most. Often present in its foreign policy, this tendency – “Wilsonian” is a common name for it, “a city upon a hill” is another – was given new emphasis by President Carter; and it is since his time that an annual human rights report has been produced by the State Department.

The US is also home to many “human rights” organisations, ever quick to judge. Russia under Putin is a frequent target of these judgements. Never mind that Russian elections are accurately predicted by numerous opinion polls over time, they are always depicted as “irregular” and suspect. Although Russian reporters seem oddly free to complain and criticize, the press in Russia is always “tightly controlled”. Despite the largest anti-government protests for years, protest is always impossible. A Russian version of Foreign Agents Registration Act is unacceptable. Russia is rated by Freedom House ever trending downwards even when it reverses actions Freedom House formerly condemned. Moscow always threatens its neighbors even though they remain independent and some are in NATO – where, one would think, they were well protected. And so on and on. The details change but the denunciations never do.

But every now and again someone gives the game away.

The Executive Director of the US branch of Amnesty International at the time Pussy Riot was declared to be prisoners of conscience was Suzanne Nossel. In and out of US administrations and NGOs, she boasted at AI that she was the author of a 2004 article in Foreign Affairs magazine entitled “Smart Power”: “Progressives now have a historic opportunity to reorient US foreign policy around an ambitious agenda of their own ... [T]he great mainstay of twentieth-century US foreign policy: liberal internationalism ... [L]iberal internationalists see trade, diplomacy, foreign aid, and the spread of American values as equally important.” She now heads PEN American Center and still

boasts of “smart power”. She evidently sees no conflict of interest advancing “human rights” inside the US government structure or outside.

Another revealing quotation comes from the Washington Post in a piece on US policy in Africa, specifically Niger, published in April. The author mentions several countries in which, notwithstanding certain human rights difficulties, Washington provides the governments with substantial money and keeps silent. Propping up the governments, in fact, as this government critic understands: “There is a need for change in our country, but our government doesn’t want to do what is necessary. Having a foreign military presence protects them.” “Human rights” are not so pre-eminent in these cases. Cynics have long suspected that Washington deploys “human rights” as a tool according to the conceptions of national interest but the author of the Washington Post piece found someone who actually admitted it: “The countries that cooperate with us get at least a free pass; acknowledged a senior U.S. official who specializes in Africa but spoke on condition of anonymity to avoid retribution. “Whereas other countries that don’t cooperate, we ream them as best we can.”

So let’s see what we can deduce from these two statements. Nossel, who happily moves between US administrations and NGOs – the G in NGO is apparently used here in a Pickwickian sense – lets us in on the secret that “human rights” are contingent and the “senior official” tells what they are contingent on. The phrase “human rights” is a code word: follow Washington’s lead and your “human rights” score will be OK, thwart it and the score will be bad. Quite easy to understand, isn’t it? (I can’t help wondering what became of our “senior official” – I don’t think you’re supposed to be that frank.)

Let us apply what we have learned to the case of Russia. Does Russia cooperate? No it does not, or at least not as completely as it apparently should. Therefore its “human rights” performance must be condemned and all Nossel’s N“G”Os will do so. Loudly.

So, dear Reader, the next time you read a headline or a State Department utterance saying “Russia’s Human Rights practice is bad” you now know what it really means: “Putin isn’t cooperative.”QED.

Patrick Armstrong is former Political Counsellor at the Canadian Embassy in Moscow

THE SUM OF ALL OUR FEARS

By Nicolai N. Petro

Russia continues to be uniquely mistrusted and feared in the West. To understand why, it is helpful to distinguish between objective and subjective fears. Objective fears are linked to actions that pose a clearly defined threat and can induce changes in behavior. Typically, these involve some form of military or economic coercion. On both scores, our fear of Russia does not seem commensurate with the objective threat.

For one thing, since the collapse of the USSR, the Russian military has been so chronically underfunded that many Western military analysts candidly doubt whether it could afford to mount a serious military mission. The rebuilding of Russia’s military, which has begun only recently, will take decades – if it succeeds at all.

It is just as difficult to imagine Russia as an economic threat, since it has just a small handful of corporations that compete effectively in the global economy. In 2007 there were only twenty Russian companies among the Forbes Global 2000. Today there are another eight. By contrast, the United States has over five hundred such companies. Nor is Russia among the top forty nations based on the number of acquisitions of American businesses. Its purchases in the past five years amount to just 0.1 per cent of all foreign acquisitions.

Nor should we be terribly worried about Russia using gas as a means of coercion. Being what energy analysts call

though welcomed for bringing an end to the Cold War, should also be a source of acute intellectual discomfort, stemming from the prospect of our having to change how we see Russia within our established cultural framework.

How is Russia a cultural threat to the West? The answer lies in “the values gap.” The values in question are defined differently by different observers. Some give priority to the rule of law, while others emphasize media freedom, religious freedom, or human rights. Standards are never clearly defined or made explicit, and so it boils down to the assertion that Russian political culture is, on some level, alien to Western civilization.

The perception of Russia as a cultural threat does much to explain the West’s hostile reaction to Putin’s third term as president. By making Russia stronger, he has actually delayed the value changes that the country needs to make to be accepted by the West. The standard Western approach to Russia is therefore mired in paradox: as Russia becomes economically and politically stronger and is therefore able to better integrate into Western institutions, it is more actively prevented from doing so because of ostensible differences in values.

This approach is no longer sustainable. For one thing, it is quite wrong to think of Western values as carved in stone. Individualism and collectivism, religious tolerance and religious bigotry, ethnic tolerance and racism all have deep intellectual and cultural roots in Western civilization. The most



“a single off-taker,” European end users of gas have enormous leverage over pricing. This is one of the reasons why some Russian analysts question the benefits of building an eastern pipeline to China.

But if objective factors do not rise to a perceptible level of threat, what else can explain our inordinate fear of Russia? I believe the answer lies in a number of deep-seated cultural orientations, which are essentially subjective in nature. We know them as “the truths we take for granted,” and this defines “the world as we know it.” No matter how enlightened we may be as individuals, we rely on such stereotypes to make sense of the world and to function in it.

These cultural orientations help to explain the visceral reactions that are evoked by the prospect of Russia joining the West. Given what we know of social psychology, it is scarcely surprising that the collapse of communism,

important thing about “Western values” is not that they are unique but that they are the subject of tireless discussion. In the past this discussion included Russia. It should do so again.

Our ideological confrontation with Russia ended more than a generation ago, but our old cultural stereotypes have proved much harder to change. Getting over these stereotypes might be easier if we approached the task of engaging with Russia not as one of instruction but as one of respectful, mutual re-acquaintance.

Seen in this light, putting an end to Russia’s cultural isolation could revitalize the West. It could even lead, as former German President Roman Herzog put it, to the healing of Europe’s soul.

Nicolai N. Petro is Professor of Political Science at the University of Rhode Island

RUSSIA MUST NO LONGER REMAIN INDIFFERENT TO HOSTILE MEDIA MANIPULATION

By William Dunkerley

The Litvinenko affair and all the other phony stories went in effect unchallenged. They easily became commonly accepted for one main reason. Russia has a bad image. It’s a result of the persistent, malicious stories propagated through the press. The cumulative effect is that negative news about Russia seems perfectly plausible. That’s what supports the mistaken notions of people like Senator McCain. And that’s a significant impediment to better relations between the Russia and the US.

Until Russia loses its international bad image, there will be powerful opposition to better relations.

While the bad image may have been created by enemies of Putin, the Russian president has done little to effectively remediate the problem. He’s allowed his enemies to figuratively blow spit in his face, and he’s just wiped it off. The result is that Putin’s enemies have successfully defined him internationally.

Putin has not been without PR counsel, however. Since at least 2006, Putin has retained Western advisors. But based on Russia’s unremittingly negative international image, it would seem that the president was fleeced by those Western sharpies.

I have personal knowledge of Putin’s being offered a practical plan with real potential for seriously alleviating his PR woes. It is a project I strongly support. Called “Russia without Spin”, it aims to deploy countermeasures to emergent negatively spun news stories. But there was no response to that overture, even after it had been advanced through multiple channels.

Now, however, the Russian government has announced a new initiative to improve the country’s image. Apparently the Kremlin is finally acknowledging that the country’s bad image is repelling foreign investors. But to implement the program, the government has hired Ketchum and Goldman Sachs. Ketchum, I believe, is the PR agency that has been advising the Kremlin throughout the devastating media attacks in past years. As such, their work speaks for itself.

As for Goldman Sachs, it is worth noting that this company has done a poor job managing its own image. Its name has become closely identified with scandal and disrepute. Inviting this company to improve Russia’s image is like bringing in the barnyard pig to make your house smell better.

What was Putin ever thinking of?

His poor PR choices are quite problematic, especially in light of all the prior inaction.

Russia has failed to respond decisively and effectively to the incessant onslaught of derogatory attacks in the media. Putin has neglected his responsibility to protect the image of his country. The truth appears to be on his side. But he’s not using it advantageously.

The plethora of maliciously negative media coverage certainly isn’t doing much good for Russia’s position in the world. And a bad international image attracts troubled international relations.

Yet Putin has undertaken a new initiative that doesn’t seem like much of a solution. That’s particularly baffling in the wake of the long-standing absence of any effective countermeasures against malicious media attacks. Something needs to be done. But it’s not happening. Doesn’t this all add up to Putin being the prime obstacle to Russia’s greater acceptance by the world community?

William Dunkerley is media analyst and consultant based in Boston, MA



Don’t improve relations with Russia. It’s a bad idea. That is a position held by some influential American political leaders. Senator John McCain, for instance, was very vocal in opposing the Obama administration’s initiative toward improvement. McCain said the administration “should not be overly enthusiastic about ‘resetting’ relations with Russia because Moscow and Washington do not share common interests or values.”

There is lots of evidence to support Senator McCain’s position. Russia invaded Georgia. Putin ordered the murder of Alexander Litvinenko. Russia uses energy as a weapon. Putin pulverized Russia’s free press. What more proof is needed?

The only problem is that those commonly-accepted allegations are specious. They are not based on facts. What’s more, they were maliciously concocted by Putin’s political enemies and ingeniously spread through the

media. Now those stories are almost universally believed to be true.

Take the “Russia invades Georgia” story, for example. In 2008 news headlines screamed of that brutal and unprovoked military aggression. But a subsequent fact-finding investigation of the European Union has found that it was Georgia that was the aggressor, not Russia. The original story was a fabrication. And so were the news stories based on the various other popularly believed allegations against Russia.

Georgia isn’t the only example that’s been thoroughly debunked. I wrote a book titled The Phony Litvinenko Murder. It documents how the entire story about the murder of that purported former Russian spy was falsified. In reality, the man’s death has never even been officially classified as a homicide. It was all a ruse. Yet it is widely believed today that Putin was behind a murder, even though the death itself has not been declared a murder.

IS THERE A SOUND US FOREIGN POLICY?

By Edward Lozansky



Students from the Department of World Politics at Moscow State University who are taking course on "US - Russia relations" send their "Happy V-Day" greetings to America and invite all those interested in US - Russia rapprochement to join in the search of good ideas and projects to make it happen

Witnessing the horrific events in Boston, it is hard to remain in a purely analytical mode. However, these events are a sober reminder of 9/11 and of the inexcusable waste of time since then – time during which the West and Russia could have joined forces in the war on terror by committing themselves to deeds, not just fine rhetoric. Indeed, far too much time has been wasted. That is because Washington chose to ignore Putin's repeated appeals for cooperation and instead preferred to push its misconceived democracy promotion agenda down his throat.

The Boston tragedy might have been averted had Obama's administration showed more professionalism in security matters instead of high-handedly ignoring Moscow's offers of help. Had this tragedy occurred during President Bush's term in the White House, all the blame could have been laid on the poor "Dubya," who, in truth, did keep turning down Putin's proposals for closer security cooperation. However, it was in 2011 that an entity clumsily described by the White House spokesmen as a foreign government – now acknowledged by FBI officials to be Russia – asked for information about Tamerlan Tsarnaev, one of the perpetrators of the Boston outrage. The Russians told the Americans that this individual could be a high risk, but the FBI never seriously followed up on that lead claiming the lack of the legal authority to keep tabs on him.

Ironically, many members of Congress have expressed concern about the FBI's handling of a request from Russia to examine this individual's possible links to extremist groups in the region. I wonder if these are the very same legislators who were pushing for all kind of tough sanctions against Russia.

It would also be appropriate to recall here the activities of the American Committee for Peace in the Caucasus (formerly in Chechnya) (ACPC), which are funded by the US government and other sources. The ACPC claims to be "dedicated to monitoring developments in the region and providing expert analysis of their implications for security, stability and the human rights situation".

On closer inspection, however, the ACPC promotes the idea that the folks linked to the North Caucasus rebel groups are the "good guys" since they highlight the undemocratic nature of Putin's Russia. Moreover, it heavily – and successfully – lobbied for the National Endowment for Democracy (NED) grant to be awarded to Ilyas Akhmadov, a self-styled "foreign minister" in the so-called Chechen "government in exile," a man whom Moscow describes as a terrorist.

Another Chechen exile, Akhmed Zakayev is also on Moscow's terrorist list but who is portrayed as the hero in the West and therefore was granted political asylum in the UK. Nevertheless, he recently made a sensational statement accusing the Georgian President Mikheil Saakashvili of arming and training a group of Chechen saboteurs and planning to send them to Russia in 2012. "People from Saakashvili's inner circle brought a group of Chechens from Europe, organized their training, provided them with weapons and were supposed to arrange a safe corridor for them to enter Dagestani territory," Zakayev said on Georgian radio on 18 April.

This information was recently confirmed by the representatives of the new Georgian government. According to Colonel Irakli Garibashvili, head of the Counterintelligence Department of the Ministry of Internal Affairs of Georgia, the Caucasus Foundation was set up shortly after the 2008 war between Russia and Georgia "to recruit young people and intellectuals from North Caucasus for fomenting instability and extremist sentiments in Russia's southern regions".

Georgia Prime Minister Bidzina Ivanishvili amplified this charge by the call to investigate President Saakashvili and his team on a variety of charges, including their alleged responsibility for Russia's 2008 invasion of Georgia, loss of territories, mismanagement of military operations, and rumored accusations of Georgian involvement in criminal acts during that war.

It is fitting to recall that Saakashvili was and probably still is on the "best friends" lists of George W. Bush, Condoleezza Rice, John McCain and other color revolution promoters in Georgia, Ukraine and the world over.

Many observers and commentators counted on the new Secretary of State John Kerry knowledge and expertise to correct Hillary Clinton's erratic policies. However, recently John Kerry proudly announced US financial support for the Syrian opposition is to be doubled to \$250 million. As is well known the most powerful wing of this opposition is a prominent jihadist group, the al-Nusra Front. Abu Bakr al-Baghdadi, leader of the Iraqi wing of al-Qaeda, said that al-Nusra is battling for an Islamic state in Syria and that both groups are merging.

Are we to assume that US is openly funding the al-Nusra group or there is some very complicated chess game which only a few people in the high places clearly understand. Aren't they the same people who pushed US under the false pretenses into disastrous Iraq's war which caused huge loss of American lives, money and strengthening Iran at the same time?

As far as US – Russia relations are concerned the White House better listens to the wise men who have greater experience in Russian affairs.

Thomas Pickering, probably the only ambassador who is also engaged in business through the Boeing Company called the Magnitsky Act a big mistake. He urged Washington and Moscow to build a positive cooperation agenda while avoiding public parades when we disagree.

Another Ambassador Jack Matlock is sure that despite some differences on a number of issues, the most fundamental interests of both the United States and Russia are compatible.

Thomas Graham, former head of the Russia Desk at the National Security Council is now with the Kissinger Associates. Graham called the flow of Russia-bashing foreign-policy recommendations by Congress and by Freedom House President David Kramer and Lilia Shevtsova, a senior fellow at the Carnegie Moscow Center, "a poor caricature of a true strategic approach which fails to grasp that approach's rigor and complexity and the strategist's hard-nosed, consistent commitment to American interests."

Graham insists that a strategic approach to the formulation of America's policy toward Russia should start with a clear articulation of the US's long-term national interests. This means, first of all, that America should acknowledge Russia's importance for the realization of US interests – an importance that stems either from the contribution Russia can make or from the obstacles it can erect. The next step is to understand how Russia defines its own interests and priorities and why, and then consider what the United States could reasonably do to give Russia incentives to help advance America's goals or to reduce the obstacles to their advancement.

The Obama Administration would do well to listen to these wise men.

Edward Lozansky is President of the American University in Moscow and Professor of World Politics at Moscow State University

STRATEGIC WISDOM FROM "STAR TREK"

By Martin Siefert

At the height of the Cold War, the United States and the Soviet Union confronted each other with unprecedented and rapidly growing nuclear arsenals. Yet American leaders dealt with their Soviet counterparts with respect; and on the three main networks of US television, contemporary Russians were often represented sympathetically. Indeed, two prominent heroes in two of the most popular and well-remembered American television series of all time were unmistakably Russian. Today, however, one looks in vain through the endless forests and jungles of American cable and network TV for anything comparable. What did Americans know half a century ago that they have totally forgotten now?

Russians do feature prominently in the extremely well-written and exciting spy series "The Americans" on Fox's FX cable channel, whose main protagonists are two KGB deep penetration agents who have lived all their adult life as a middle-class American couple in the suburbs. They even have two teenage children who have no idea their parents are anything other than good, red-blooded Americans. But there is no moral equivalence in this show, set in the early 1980s. The Soviet anti-heroes kidnap, terrorize and kill whenever they have to.

By contrast, in the 1960s the most popular TV spy series in US history had a patriotic Russian as one of its two heroes. Ilya Kuryakin was in fact played by the great British television actor David McCallum, who made a not very convincing but gallant attempt at a Russian accent. The show was called "The Man from U.N.C.L.E." and "U.N.C.L.E." stood for the United Network Command for

Law Enforcement. It ran from 1964 to 1968. The two super-hero spies who were the main protagonists were a Russian, Kuryakin, and an American, Napoleon Solo, played by Robert Vaughn. Originally, the show was meant to be focused only on Solo. But Kuryakin, slim, blond, brilliant and witty, proved so popular that he was almost immediately promoted to full star status too.

Kuryakin was not a defector: He was expressly shown in various shows to be an officer of the Soviet Navy still in good standing with the Soviet government. He was so popular with the American public that he received more fan mail than any other actor in the history of MGM, including Clark Gable.

The two heroes both reported to an old, wise British boss Mr. Waverly, played by Leo G. Carroll, a veteran of classic Alfred Hitchcock movies. It is not hard to see the three leads in the show as expressing a popular American wish to revive the Grand Alliance of the United States, Britain and the Soviet Union against Nazi Germany in World War II.

While "The Man from U.N.C.L.E." implicitly drew its inspiration from the past, "Star Trek" was explicitly a vision of the future. From the second series onward, the show featured as the star ship's navigator a young, enthusiastic, goodhearted young Russian officer called Pavel Chekov, played by Walter Koenig. This character was also hugely popular and has remained a much-loved part of the enduring "Star Trek" universe and mythos to this day.

The long Cold War, the growing military quagmire in Vietnam and the memories of the 1962 Cuban Missile Crisis had sobered the American people and their popular culture. "Star Trek" explic-

itly looked ahead to a world of toleration, mutual cooperation and accepted differences. The USS Enterprise was an explicitly American-style warship in space. But it represented the Federation, a tolerant association of different peoples and even races from different worlds. Its crew included Japanese, African, Scottish and other nationalities; and one of its most prominent and popular heroes was even an alien, Mr. Spock from the planet Vulcan, played by Leonard Nimoy.

The Federation even has a remarkable Prime Directive, which continues to fascinate "Star Trek" fans around the world nearly half a century later. It expressly prohibits Federation star ships from intervening to introduce Earth's culture, science or political systems to any other world. American neo-cons today would hate it.

The Prime Directive, in fact, harks back to the now despised and ignored central principle of US foreign policy for the first 150 years of the Republic from George Washington to Franklin Roosevelt. This was that the United States should never try to impose or export its own democratic system to any other country around the world by either subversion or outright use of military power. It should simply present itself as an example of freedom and democracy to other nations.

Popular television culture in the United States half a century ago has a great deal to tell policymakers today. It is a national tragedy that they have forgotten so much.

Martin Siefert is Chief Global Analyst for the Globalist and former Chief Foreign Policy Editor for the Washington Times

ISLAMIST EXTREMISM IN CHECHNYA: A THREAT TO THE U.S. HOMELAND?

Testimony at the House Committee on Foreign Affairs, Subcommittee on Europe, Eurasia, and Emerging Threats

By Andranik Migranyan

U.S.-Russian relations on Chechnya have a complicated history. And, unfortunately, for a long time, there has been a common lack of understanding of the events in Chechnya. By contrast, immediately following 9/11, the Russian side expressed readiness for active cooperation with the Bush Administration against Al-Qaeda, the Taliban, and other Islamist terrorist groups.

America has failed to understand Chechen terrorism until it faced homegrown terrorism on its own soil: over the years, the media and political circles invoked the activities of Russian and Soviet authorities from decades past to explain Chechen acts of terrorism against Russia as retaliation for injustice. American homegrown terrorists also claim to retaliate against the wars in Iraq and Afghanistan, or alleged U.S. war against Islam, but no American would buy this excuse to justify the slaughter of civilians. The point of departure in our cooperation should be that terrorism against innocent civilians cannot be justified, no matter what.

The Russian side has never received full understanding on the part of its American partners of its fight against Chechen terrorism. Russian actions in Chechnya were primarily criticized in the Western media, and in Western political circles, as they were seen through the prism of human rights violations and the excessive use of force. There was a potent attempt to separate the American fight against Islamist terrorism from the Russian fight against Chechen terrorism that took place within Russia's borders. In addition, Russian efforts to get extradition orders for some Chechen terrorist leaders that moved to the UK, such as Akhmed Zakayev, self-proclaimed Prime Minister of the Chechen Republic of Ichkeria (Chechen separatists call Chechnya "Ichkeria"), or to the U.S., such as Ilyas Akhmadov, Foreign Minister of the Chechen Republic of Ichkeria, who, by the way, was granted asylum in Boston, received neither understanding nor support by the American and British sides. As if that were not enough, sadly, many Western countries preferred to call the terrorists and cut-throats "freedom fighters" oppressed by the Russian authorities.

This last point was articulated by President Putin in his annual direct line with the public on April 25th. He was translated by the Russian media as having said, "I was always appalled when our Western partners and the Western media called the terrorists, who did bloody crimes in our country, 'insurgents,' and almost never 'terrorists.' They [the terrorists] were receiving help, informational, financial and political support. Sometimes directly and sometimes indirectly. And we were saying that we must do the job and not be content with declarations proclaiming terrorism a common threat. Those two have proved our position all too well."

The attacks by the Tsarnaev brothers in Boston, as well as the 9/11 attacks, have provoked feelings of solidarity with the American people and especially with the citizens of Boston among the Russian people and Kremlin leadership.



Just as he did in 2001, President Putin expressed his readiness to cooperate with the U.S. government to uncover all the details that led to the tragedy in Boston and, as far as I know, the secret services of both countries are now actively working together on this.

It is crucial to point out that the Russian side and Russian secret services tracked the contacts of the Tsarnaevs and turned to the American authorities so that they could investigate them. Unfortunately, the evident remaining distrust between the two countries and the doubts of the American side that Russia is indeed combating Chechen terrorism in the Caucasus must have caused the authorities to not take the warning seriously enough. Today, we no longer need to strive to convince anyone that Chechen terrorism has crossed the borders of Russia. The people of Boston felt it for themselves. The Russian media and Russian secret services have information of Chechen Islamists and Islamists from other regions of the North Caucasus having joined the ranks of jihadists in various parts of the world. There is even information that they fight in Syria on the side of the opposition and against the legitimate government.

I would like to believe that after the tragedy in Boston, the two countries and their secret services will be able to overcome, even if only a little, the distrust between them when it comes to evaluating terrorist threats, and that there will no longer be a dividing of terrorists into "good" and "bad," "ours" and "theirs." I would also like to believe that our secret services will work together even more closely in the fight against the terrorist threat, which, like a tumor, metastasizes around much of the globe.

We have to understand that Russia and the U.S. have overlapping interests, but also disagreements. After Guantanamo and Abu Ghraib, not everyone in Russia believes that American secret services consist of knights on white horses. But our imperfections should not prevent us from realizing that we are facing a common enemy, and to cooperate against it is both common sense and inherently moral.

Andranik Migranyan is Director of the Institute for Democracy and Cooperation, New York

THE DEMISE OF THE US DOLLAR

The world no longer trusts the American policy makers

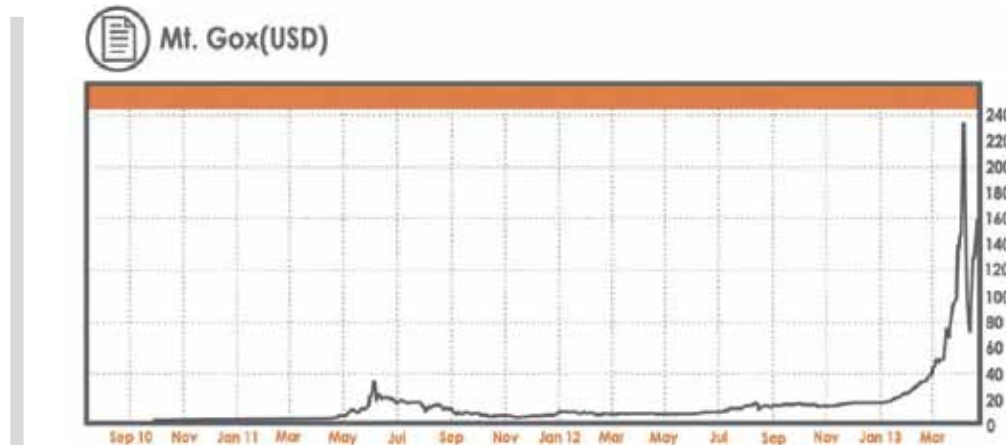
By Valentin Măndrășescu

The Voice of Russia Analyst

After the end of World War II the US dollar replaced the British pound as the main reserve currency of the world. The currency reserves of the world's central banks are mostly kept in dollars and most of the commodities essential to the functioning of the world economy are priced in dollars.

The unbalanced federal budget and the growing debt of the United States greatly increase the risk of US dollar devaluation, therefore threatening its status as a world reserve currency. The currency which serves as the store of wealth for the governments and central banks of the world should not be exposed to devaluation risks. The quantitative easing stimulus used by the Obama administration to kick-start the ailing American economy is often viewed as an exercise in unbridled money printing which allows the US government to export inflation around the world and buy votes at home at the expense of the foreign holders of dollar-denominated currency reserves.

A sign of global distrust in the way the US government manages the world's most important currency is the resurgence of gold as an investment and as a currency. Central banks of China, Russia, Brazil, South Korea, Kazakhstan, Philippines, Mexico, South Africa, Pakistan and Turkey have been buying gold from local mines and international markets. Last year was a record breaking year for central bank gold demand as the world's monetary authorities bought 534.6 tons of the yellow metal. The recent drop in gold prices left the central banks unfazed. Dominic Schnider, head of commodities research at UBS AG's wealth-management unit in Singapore told Bloomberg that "central banks are here to stay as net buyers; they are probably the ultra long-term investors". Gold is often regarded as an ultimate reserve currency because it cannot be "printed" at will. The mainstream media and the political cheerleaders of quantitative easing try to downplay the importance of gold as an alternative to the US dollar. Such attempts are easily explained by Peter Schiff, an American investment broker, author and conservative



Bitcoin (BTC) is a digital currency first described in a 2008 paper by pseudonymous developer Satoshi Nakamoto, who called it a peer-to-peer, electronic cash system. During the last three years, the dollar price for a Bitcoin has oscillated from 10 dollars to 250 dollars.

"To tell you the truth, it's little bit too complicated. If I can't put it in my pocket, I have some reservations about that"
Ron Paul

financial commentator who believes that "politicians don't like the gold standard, because it keeps them honest".

Gold is not the only competitor for the role of the currency that will replace the weakening US dollar. China is trying to break free from its dollar dependency and is creating a web of bilateral "swap lines" and trade agreements that will help the internationalization of the Yuan. Before the beginning of the American economic crisis, almost all of the Chinese exports were priced in US dollars, regardless of the geographical location of the buyers. Now, China is trying to switch its trade to Yuan. If the European, African, South American and Asia buyers of the Chinese goods require the Yuan to pay for their purchases, China will achieve its

goal of creating a Yuan-based economic ecosystem. This ecosystem is likely to gradually reduce the global influence of the US dollar, confining its use to the North American continent. According to a report by the Organization for Economic Co-operation and Development, China will become the world's largest economy, overtaking America, around 2016 so it is only natural for its currency to become the main currency of the world economy.

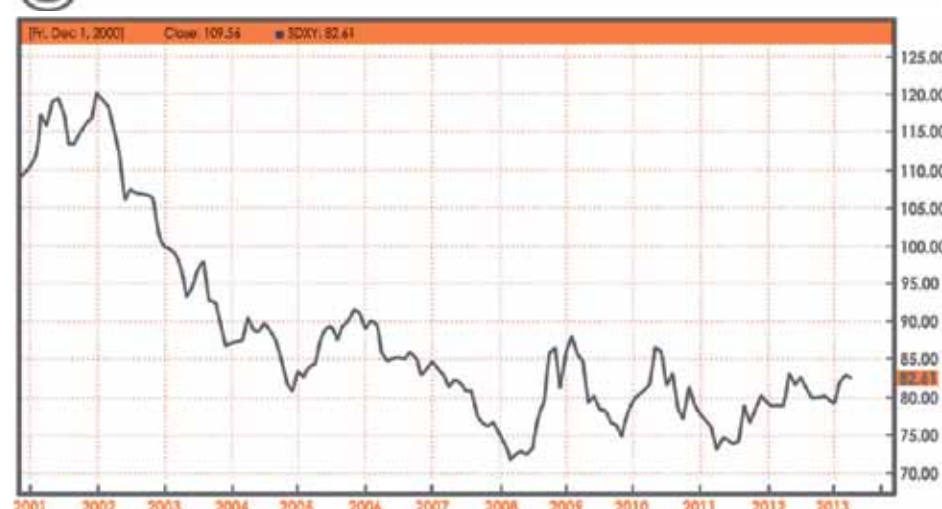
China is not the only country trying to reduce the world's dependency on the US dollar. BRICS control more than half of the world's trade, 40% of the labor force and 25% of the world's GDP. A big part of the influence of the dollar is due to the fact that institutions like the IMF and World Bank give dollar-

based credits to countries around the world. For the world's corporations, dollar-based financing is the cheapest and most accessible. The BRICS aim to change this situation and are actively financing African, European and South American countries which are taking loans in Yuans or Russian Rubbles. Moreover, BRICS countries are becoming the creditors of choice for the European companies. Replacing the current dollar-based financial system has become a top priority for the BRICS leadership. One of the points of the official Russian "Strategy for BRICS participation" signed by the President Vladimir Putin states that one of the goals of BRICS is the "reform of the global financial system for the creation of a more representative, stable and predictable system of world reserve currencies".

The reputation of the dollar is getting clobbered by each fiscal mistake made in Washington and each rise of the debt ceiling. Even the geeks and the hackers of the digital age are jumping on the bandwagon of alternative currency creation. A digital, encrypted, peer-to-peer currency called Bitcoin has emerged from the cypherpunk subculture and has taken the internet by storm. Bitcoins can now be used for buying web services, guns, gold, pizzas and even cars. So far, Bitcoin looks like a grassroots attempt to use technology where American politicians have failed.

The American mainstream media has made a habit out of demonizing anyone who tries to circumvent or reform the dollar system. The Chinese are being accused of "stabbing the dollar"; gold investors are labeled "gold bugs" while the users of Bitcoins are being accused of money laundering without any proof whatsoever. The world can't be forced to use the dollar at gunpoint. Why would anyone want to price goods or store wealth in a currency which is being continuously debased? What happens if the President of the US decides to naturalize 15 millions of illegal aliens and grant them the right to use Medicare, Medicaid and provide them with foodstamps? Such expenses can only be financed through obscene amounts of freshly printed money. In such a scenario, the dollar could lose half of its value overnight. Why would anyone trust a currency exposed to such risks? The main enemies of the dollar based currency system do not come from Beijing or Moscow or a secretive hacking community. The main enemies of a strong and reliable dollar are located in Washington DC. Until the American budgetary mess is sorted out, the rest of the world, along with free-spirited American citizens, will have to look for alternatives to the once mighty US dollar. Deprived of the privileges given by the dollar's role as the world's reserve currency, the US will not be able to pay for imports, finance its army and provide social security to its citizens. The fall of the dollar system will force the US government to default on its debts and cut its budget. If Washington's reckless policy doesn't change, America will become a second-rate country engulfed in poverty, price inflation and social unrest.

SDXY - Dollar Index - Monthly Line Chart

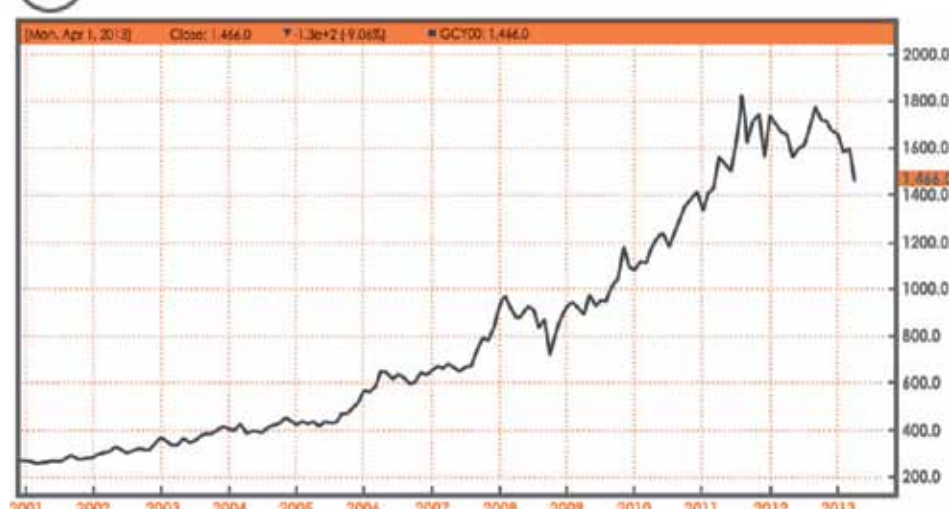


The US Dollar Index is an index (or measure) of the value of the United States dollar relative to a basket of foreign currencies. Since 2002, the The US Dollar Index has declined by 31%, reflecting the overall weakening of the American currency.

"The US dollar is a terribly flawed currency"
Jim Rogers, American investor, financial commentator and co-founder of the Quantum Fund

"Obama's strong dollar policy may be for real"
Reuters commentary Jan 22, 2009

GC - Gold - Monthly Line Chart



Gold is often viewed as an alternative "base currency" for the world's financial system. The price of gold has increased from 400 dollars per ounce in 2002 to 1445 dollars per ounce in 2013.

"In truth, the gold standard is already a barbarous relic"
John Maynard Keynes

"Politicians don't like the gold standard, because it keeps them honest"
Peter Schiff, American investment broker, author and financial commentator

CYBERTERRORISM AS A BUSINESS MODEL

Digital age terrorism challenges the integrity of the US stock markets

On April 23rd, a fake tweet posted from the hacked account of Associated Press caused a brief market crash. The fake tweet about a bomb injuring the President sparked concerns about the vulnerability of the American stock markets to cyber-terror attacks. It less than 3 minutes, the S&P500 index fell 1%, meaning that the "Hack Crash" erased \$136bln in equity market value.

Anyone with advance knowledge of the hacking attack could have profited massively from betting on a short-lived market crash and the following recovery. The hypothesis that the so-called "Hack Crash" was orchestrated for financial gain of cyberterrorists is wildly popular with the financial community. The Securities and Exchange Commission is reported to be investigating the suspicious trading activity which had taken place before the "Hack Crash".

Several studies, including the report "Mechanics of Possible Bin Laden Insider Trading Scam" published by the International Institute for Counter-Terrorism and an academic paper by professors Wong, Thompson and Weng, published by the Multinational Finance Journal, prove that suspicious trading activity occurred before the 9/11 attacks and that terrorists with advance knowledge of the attacks could have benefited from the ensuing market panic. Researchers believe that terrorists used derivative contracts (put options) which benefit from market decline to profit from the fall in price of the stocks of the two airlines used in the attack, namely United Airlines and American Airlines. Reports of 2.5 millions of dollars of unclaimed profits, resulting from such trading, demonstrate that stock trading can be profitable for terrorists.

From a terrorist's point of view, provoking market crashes using cyberterrorism is a very attractive means of self-financing. A cyberterrorist doesn't need to go anywhere near the target and doesn't even need to be on American soil in order to claim the profits from a "Hack Crash". Tuesday's brief market panic could result in tens of millions of dollars funneled to the terrorists' bank accounts. Preventing such actions and even distinguishing terrorist traders from honest speculators will be a very difficult task. It seems that we are entering an era in which terrorism will no longer be a tool for obtaining geopolitical goals, but will also become a profitable "business model" for the world's terrorist organizations.

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A PARIS MURDERER

A World War II war criminal exposed

“Rutchenko told me how he destroyed the skull of a prisoner by shooting him directly in the face. I remember his words that ‘the German guns are much better than the Soviet ones’”. A journalist from the Voice of Russia radio station in Moscow exposes a war criminal. A now deceased Paris resident Nicholas Rutchenko personally took part in executions of the civilian population during World War II and was directly involved in the murder of Jews in the notorious German Auschwitz concentration camp. Rutchenko died just days before the publication of this article without atoning for his numerous war crimes

By Armen Gasparyan
The Voice of Russia Analyst

Nicholas Rutchenko was a French retiree. He was the author of multiple history books and an outstanding charismatic person. He was also a great storyteller and looking at him, one would never imagine that he is a murderer: He would never talk about that anyway. He preferred not to talk about the war in general. He would only briefly say that he was drafted into the army and was taken prisoner. He considered the Soviet leader Joseph Stalin to be a criminal and thus agreed to cooperate with the Germans. He became an interpreter in the Soviet territories occupied by the German troops. Then he realized the criminal goals of the German Kanzler Adolf Hitler and was sent to a concentration camp for his anti-German activities: enemies of the Nazi regime were sent to these concentration camps to be killed in the gas chambers. Thus, he was a devoted fighter against any dictatorship. After the war he settled down in France and took up an interest in science. However, Rutchenko had a very different life, one which he tried hard to forget.

It was August 1941 and the war had spread to the territories of modern-day Ukraine and Russia. During the first months of the war the Soviet Army had one defeat after another. Over 2 million soldiers and officers were taken prisoner by the German troops. Among those people was Lieutenant Nicholas Rutchenko, a student of history from Leningrad (a city in Russia now called St. Petersburg). He was not executed and did not die of starvation in a prisoners' camp like hundreds of thousands of other citizens of the Soviet Union. As he knew German he immediately agreed to serve as an interpreter in the German security police, the main repressive institution of Hitler's Germany. It was the security police that contained the special punitive units, which carried out mass executions of civilians in the occupied territories. The Jews and the Gypsies were the primary victims. Here is a quote from a report to Berlin prepared by Captain Reichen, an employee of the German security police, "Executions performed by the people from my unit were done quickly and discreetly each time. The prisoners were always executed under some pretext and were taken to a place where the civilian population had no access to, where they were then shot in the head. In almost all cases we managed to do it in a way that those who were to be executed did not suspect it". According to Taylor, who represented the prosecution from the American side during the post-war Nurnberg trials, "the atrocities performed by Germany's armed forces and the police were so shockingly monstrous that a human mind cannot understand that". Of the 70 million Soviet citizens who found themselves in occupied territories, every fifth person did not survive to see the end of the war in May 1945.

Rutchenko was an ordinary interpreter for a short period of time. A great number of Germans born in Latvia and Estonia served in the security police. In the early 20th century those countries were a part of Russia, therefore all citizens knew Russian very well. Rutchenko was needed for another job. To begin with, he was tasked with questioning the prisoners. Here is a quote from the post-war testimony of Daniel Petrov from Leningrad, "They executed people in the park that was close to the building of the security police, but prior to that, they took them to be questioned by Rutchenko. He had the simple looking face of a 30-year-old. My memory captured all this forever. I close my eyes and can see it as if it had been today. I was shocked that the conversation was in Russian and that a Russian was wearing a German officer's uniform: Prior to that I had not seen anything like that. He sent me to the death camp. Naturally, Rutchenko could explain things by the superior's orders, but he did not even try".

Later on Rutchenko's career in the security police advanced. He received



arms from the German warehouses in order to conduct punitive operations against the civilian population. Here is an extract from the testimony of Olga Kolokolova, a former employee of the security police, "Rutchenko personally shot down three people in front of my eyes. I heard numerous times from other officers that Rutchenko took part in the executions". Bene, a former trainee of an intelligence school, confirmed her words, "Rutchenko told me how he destroyed the skull of a prisoner by shooting him directly in the face. I remember his words that 'the German guns are much better than the Soviet ones'". At the same time Rutchenko taught the trainees at the special intelligence school. They were supposed to become the city authorities of Leningrad after the German troops took the city. The Germans viewed Rutchenko as the future head of the department of education. But the Germans failed to take Leningrad. The siege of the city by the German troops lasted for 872 days. The city resisted the siege in the most severe battles. Over that period 1.5 million citizens died and 97% of them starved to death.

Rutchenko continued to test German guns. In November 1943 in Riga, the capital of Latvia, he and his company took part in an operation where 3,000 Jews from the ghetto were forced to move to the Auschwitz concentration camp in the Polish territory. Here is a quote from the testimony of Nikarev, an employee of the security police, "Armed with guns, we came to the ghetto where the Germans kept the Jews behind barbed wire. The Estonian and Lithuanian police units were already there. We drew the Jews out of the buildings, cellars and put them into trucks. If anybody tried to hide, the police would throw grenades and fire guns. The trucks took them to the train station where they were put on the trains. They were all taken to the German Auschwitz camp. There they were told to undress and sent to a sauna. The doors of the sauna were closed and poison gas was pumped in. The bodies then were burned". It is impossible to determine the exact number of people killed in Auschwitz. The Germans did not keep track of their victims. At the minimum, 180 thousand Jews were killed in the camp.

Pavel Delle, a captain of the security police, was in charge of the operation.

Prior to that he personally took part in the execution of civilians in Riga, and later on he headed the punitive squad in the Leningrad region. Rutchenko was his subordinate. By the way, he had never denied his joint service with Delle. He even wrote about it in his memoirs, "I was ordered to go to the superintendent. The major sat at the table along with the captain. He allowed me to call him Pavel Delle and said that he was in charge of all Russian matters in Riga. Delle got up to shake my hand and said that he was glad to meet me. As it turned out, some German officers had already told him about me. They spoke well of me".

Delle valued Rutchenko highly as well. When some time later Delle took part in the assassination attempt on Stalin, he also invited his assistant to join him. Rutchenko began to train with Tavrin, a saboteur. By spring 1944 the training was over. Tavrin got the most modern gun – a portable grenade launcher used against light

armored vehicles, which was specially designed by the German arms producers. However, the assassination failed. The saboteur was almost immediately arrested by the Soviet counter-intelligence. He testified at the first questioning, "Rutchenko was the head of one of the groups. His group includes over 100 people and is trained to lead the rebel movement in Central Asia. Prior to the war, Rutchenko worked as a history teacher at one of the Leningrad institutes. During the war near Leningrad he moved to the German side and since then has actively worked at the German intelligence institutions". Maria Kaganova, a former employee of the security police in Gatchina, also confirmed that testimony, "Rutchenko gave instructions to me on how to detect persons hostile to the Germans, as well as communists and Jews".

Rutchenko's work did not go unnoticed in his homeland. In the well-known list of war criminals searched by the Soviet special services he was

number 58. But Moscow had never demanded Paris to extradite Rutchenko. Why is that? The crimes he committed would have been severe enough to sentence him to capital punishment three times. However, Rutchenko's bloody traces were spread across dozens of criminal investigations, but were not collected in a separate case. There were more serious criminals, the extradition of which Moscow wanted in the first place. Rutchenko was left for later. Sixty years ago nobody could imagine that a few years later the murderer would go on to become a respectable writer, who in his books discussed morals.

Rutchenko himself tried to stay away from journalists. He made no presentations of his books and never appeared in TV interviews. He probably understood that one casual phrase would be enough for people to become interested in the biography of the Parisian writer. That is exactly how it happened. My colleague Alexander Kudakaev managed to talk to Rutchenko during his work on the documentary film "Nazi Hunters":

Do you know that in Russia you are still wanted as a war criminal?

I don't understand your question. Olga Kolokolova's testimony. Perhaps you remember such a person from Gatchina?

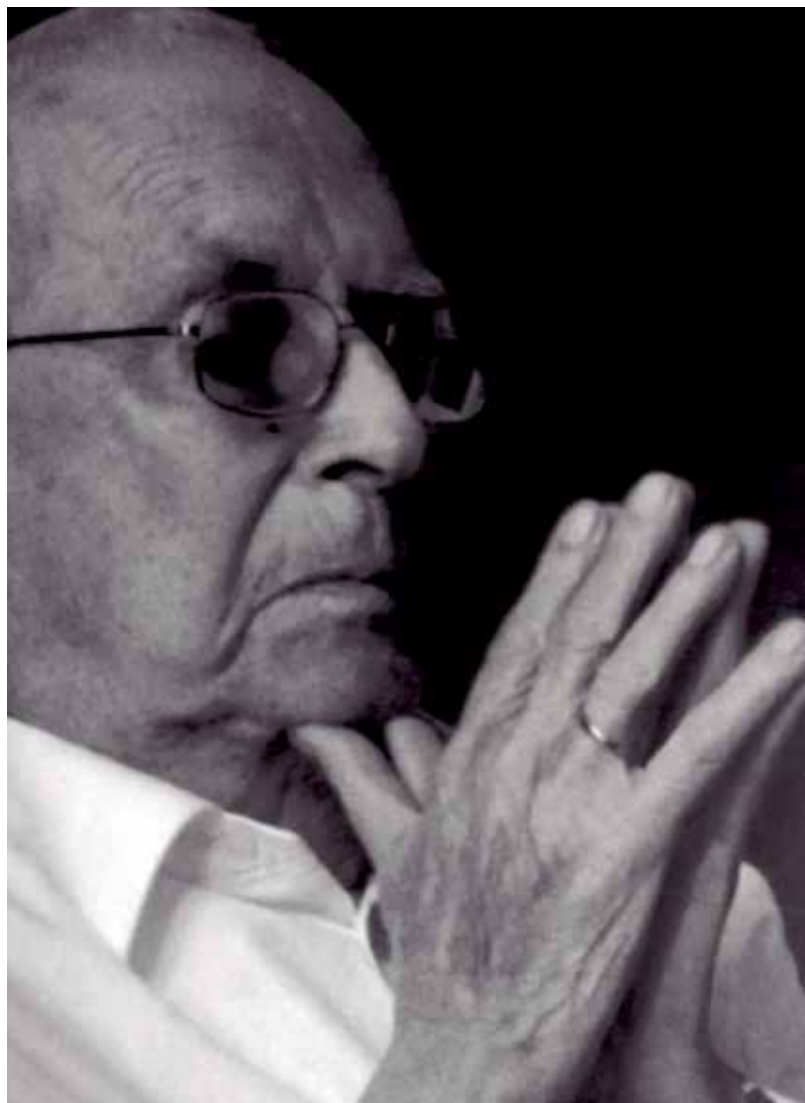
I don't remember.

You don't remember Pigulevsky either?

No, I don't remember him either.

Rutchenko made a fatal mistake. His tongue slipped. In this short dialogue he confirmed the most important thing – that he served at the security police. He just couldn't remember his subordinate. He should have denied the very fact of his involvement with the punitive institution of Hitler's Germany. One cannot talk about any dementia in this case. From that moment on Rutchenko refused to talk to Russian journalists. But if our Western colleagues had spoken to him, they would have been able to confirm that the former employee of the security police was of sound memory. He even used to easily cite dozens of documents from his books and kept hundreds of names in his memory. He just forgot about his own participation in the executions of civilians. But his former subordinates remember him well. Here is a part of the testimony of Pigulevsky, then a trainee of the intelligence school "Leningrad", "Rutchenko was connected to Riga and knew English and German perfectly. He came to me on July 20, 1942 and talked about the political future of Russia. He talked about his cooperation with an officer of Hitler's secret political police Gestapo". During the post-war Nurnberg trials against the leaders of Hitler's Germany, Gestapo was named a criminal organization for the prosecution and killing of the Jews.

Rutchenko's few supporters say that one cannot trust the documents of the Soviet special services. In order to prove his guilt they would need to see virtually all his personal reports to Berlin detailing his own participation in executions. And they need living witnesses. Most likely there are no such documents. There is also no list of names killed in Babiy Yar in Ukraine. It is only known that in the fall of 1941 the Germans killed over 100 thousand Jews and war prisoners there. No witnesses are still alive. But there is our memory of the crimes committed. That memory does not let us forget that those who gave orders and executed the capital punishment verdicts had names and military ranks. Lieutenant Nicholas Rutchenko, who worked for Hitler's security service, was one of them. He managed to skip trial and died in his Paris apartment. He tried to convince everybody he was nothing more than an interpreter who had been fighting against Stalin. He pulled the veil over everyone's eyes but was the only one to fall eventually for his own lie.



QUESTION MORE


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