

THE WALL STREET JOURNAL.

CLM Politics and Policy
 SE Politics
 HD **Democrats Search for Midterm Vote Strategy as Biden Poll Numbers Lag; President has touted job growth and infrastructure spending, but voters remain anxious on inflation, [Ukraine](#) and direction of country**
 BY By Catherine Lucey and Alex Leary
 WC 1,451 words
 PD 11 April 2022
 ET 16:30
 SN The Wall Street Journal Online
 SC WSJO
 LA English
 CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

WASHINGTON—The White House has long banked on the political benefits of taming Covid-19 and overseeing strong job recovery, but as midterm campaigning accelerates, President Biden has been unable to shake [low approval ratings](#) as voters remain focused on higher prices for gasoline and groceries.

Increasingly, polls show, Mr. Biden isn't giving a boost to Democrats as they face an already-tough election climate. The president's attempts to highlight economic success and legislative victories have been complicated by rapid inflation and overshadowed by the challenge of responding to [Russia's invasion of Ukraine](#).

TD

As they work to settle on a campaign strategy for November, Democrats said they need to better sell the public on what they see as Mr. Biden's wins, chiefly pandemic stimulus and infrastructure spending, while making clear they will work to bring prices down.

"We've done so much," said Rep. Mark Pocan (D., Wis.). "But the Covid hangover and inflation make it harder to talk about those really big things."

A recent ad from the House Majority PAC, a political-action committee that supports Democrats, outlined the message the party wants to hit, stressing economic gains with jobs and wages and efforts to bring down the cost of gasoline and prescription drugs. "Democrats are getting things done to create jobs and lower costs," a narrator says.

Mr. Biden's approval ratings dropped in August 2021 during the U.S. withdrawal from Afghanistan and a new coronavirus surge and have never recovered. The FiveThirtyEight average of [national polls](#) put his approval at 41.8% as of last week, down from 53.1% at the same point a year earlier.

While some past foreign-policy crises prompted the public to rally around the president, the war in Ukraine hasn't had that effect for Mr. Biden. A recent NBC News poll showed that some seven in 10 voters had [low confidence in his ability](#) to respond to the crisis. Roughly the same number said they were concerned that the U.S. would send combat troops to fight in Ukraine, a step the president has said he won't take.

Overall, 71% of voters said they believed the country was headed in the wrong direction and 62% said their family incomes were falling behind the cost of living. Republicans contend that Democrats can't outrun public frustration with inflation.

"The midterms are definitely going to be a referendum on the Democrats' failures and specifically the rising costs they've allowed to impact every American," said Rep. Tom Emmer of Minnesota, chairman of the GOP congressional campaign effort.

The Republican strategy is already unfolding, with constant reminders about inflation and higher energy costs, while Democrats are portrayed as soft on crime and immigration. Covid protocols and school-curriculum issues also weight heavily. But the GOP is contending with [internal division](#) over the influence of former President Donald Trump and what policy agenda of their own to present to voters.

Historically, midterm elections are a struggle for the party controlling the White House. Democrats have a slight majority in the House, and the Senate is evenly split 50-50. More trouble might be ahead for Mr. Biden and the party.

Some [economists are predicting a recession](#) within the next two years as the Federal Reserve raises interest rates to control inflation. And immigration officials are bracing for a new surge of migrants at the Southern border in May following the Biden administration's decision to lift pandemic-era rules that [let border agents turn migrants](#) back at the border. That move has prompted [sharp opposition](#) from Republicans and some Democrats—including lawmakers who are vulnerable in November.

Former Secretary of State and Democratic presidential nominee Hillary Clinton said on NBC recently that Democrats "have a great story to tell" but added, "We need to get out there and do a better job of telling it." Former President Barack Obama had a similar message a few days later.

Mr. Biden's advisers still believe that showing progress on the economy and the pandemic will help them in November. Mr. Biden is planning a busy month of domestic travel in April, one adviser said, and will seek to emphasize his record and draw a contrast with Republicans. Appearances in Iowa and North Carolina are planned for this week.

"I'm not going to say that history is in our favor, it certainly isn't," the adviser said. "I'm not going to say that navigating Ukraine and Russia makes it any easier. And certainly there are impacts at home," the adviser said, while contending that Mr. Biden has a message that will break through as voters start to pay attention.

Mr. Biden has been emphasizing job growth, a near-recovery to prepandemic levels, and last week held an event with Mr. Obama to talk about the [Affordable Care Act](#), the legislation whose passage helped lead to steep Democratic losses in the 2010 midterms, but is now relatively popular with voters. He has proposed billions of dollars to fight [violent crime](#), a lift for moderates who oppose progressive calls to defund the police. On Friday, he celebrated the Senate vote confirming Ketanji Brown Jackson as the first Black woman on the Supreme Court.

On the economy, the White House has sought to emphasize global supply-chain issues and has recently shifted to blaming Russian President Vladimir Putin for rising fuel prices, though they were high before the invasion of Ukraine. Democrats have sought to counter conservative attacks on fiscal responsibility by stressing deficit reduction.

While Covid cases have declined overall and mask mandates and pandemic rules have largely been dropped around the country, Mr. Biden isn't seeing a jump in his approval ratings as a result, undercutting one of the central assumptions of his team. The adviser said there is confidence that people will continue to feel better as time goes on, helping Democrats make their case.

Voters are receptive to candidates "working to fix the problem, who've got a plan," said Rep. Sean Patrick Maloney of New York, who heads the Democratic congressional campaign arm. He said candidates running in close districts in midterm elections "almost invariably have to outperform the national brand."

"The question is," Mr. Maloney added, "How big does that overperformance have to get?"

Rep. Ami Bera of California, a leader in the moderate New Democrat Coalition, said the party should focus on bread-and-butter economics, such as attempts to bring down gasoline prices, and he is encouraged to hear the president talk about increasing funding for police, as Republicans emphasize growing violent-crime rates. Mr. Biden recently met with the group and lamented that after the Affordable Care Act was made law in 2010, Democrats didn't do a good job of telling the public how it could improve their lives, Mr. Bera said.

SHARE YOUR THOUGHTS

What strategies would be most effective for Democrats as they approach the midterms? Join the conversation below.

"You've got to make this about what's happening locally and a choice between two candidates," Mr. Bera said.

Still, party enthusiasm has been damped by months of infighting and inaction on key issues. Mr. Biden is facing frustration from both progressives and moderates. Centrists, who are most vulnerable in the coming election, want to focus on legislation that has a chance of passing, rather than some of the sweeping bills that consumed the focus for much of Mr. Biden's agenda.

Progressives are pushing the president to sidestep Congress and use executive actions to tackle immigration, climate change and policing concerns.

Democrats fear that without additional achievements to show voters, they could stay home.

"There were a lot of commitments, a lot of promises made, and people are looking around asking, 'What happened?'" said Quentin James, a Democratic strategist in Cleveland, citing as examples voting rights and student-loan forgiveness. "Without the wins, I'm not sure people are going to be as excited about showing up."

Democratic pollster Jeff Horwitz, who conducted the NBC survey, said there is an enthusiasm gap between Republicans and Democrats. "A vote for Biden was to end the chaos," he said, referring to the Trump era, "But it was also to achieve results. A lot of voters feel like they haven't gotten that."

Write to Catherine Lucey at catherine.lucey@wsj.com and Alex Leary at alex.leary@wsj.com

[Democrats Search for Midterm Vote Strategy as Biden Poll Numbers Lag](#)

NS gcat : Political/General News | gpol : Domestic Politics | gvote1 : National/Presidential Elections | gsars : Novel Coronaviruses | e211 : Government Budget/Taxation | ecat : Economic News | ghea : Health | gpir : Politics/International Relations | gvote : Elections | ncolu : Columns | nsur : Surveys/Polls | e1103 : Inflation Figures/Price Indices | e11 : Economic Performance/Indicators | e21 : Government Finance | gcold : Respiratory Tract Diseases | gmed : Medical Conditions | gspox : Infectious Diseases | ncat : Content Types

RE usa : United States | ukrn : Ukraine | eurz : Europe | namz : North America | uk : United Kingdom | usdc : Washington DC | uss : Southern U.S. | dypcoz : Developing Economies | eeurz : Central/Eastern Europe | weurz : Western Europe

IPD WSJ

IPC G/FED

PUB Dow Jones & Company, Inc.

AN Document WSJO000020220411ei4b0018h

THE WALL STREET JOURNAL.

CLM Global View
SE Opinion
HD **Putin's Ukraine War Roils U.S.-India Ties; Policies that drive Russia closer to China and Pakistan aren't in New Delhi's interests.**
BY By Walter Russell Mead
WC 875 words
PD 12 April 2022
ET 03:50
SN The Wall Street Journal Online
SC WSJO
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

The headlines focused on Europe last week as Russia regrouped for another brutal assault on Ukraine, but the Indo-Pacific is also heating up. Kurt Campbell, senior Asia policy maker at the National Security Council, planned a trip to the Solomon Islands to stave off a potential Chinese diplomatic coup, while President Biden added a virtual meeting with Indian Prime Minister Narendra Modi even as Secretary of State Antony Blinken and Defense Secretary Lloyd Austin prepared for in-person meetings with their Indian counterparts. In the long run, both sets of meetings could change world politics more than the struggle in Ukraine.

TD

The Solomon Islands are a nation in the Pacific between Australia and Hawaii that includes six larger islands and almost 1,000 small ones. That strategic location made it the scene of some of the most bitter fighting in World War II. Instability has been more the rule than the exception since the islands gained independence in 1978. The roughly 700,000 inhabitants speak 80 different languages. The islands hold significant mineral deposits, and the surrounding waters offer rich fishing prospects, but continuing unrest along with pervasive corruption has discouraged foreign investment. The most recent round of rioting, in November 2021, ended only after Australian troops arrived.

Until 2019, the Solomon Islands maintained diplomatic relations with Taiwan. Last month, news broke that the Solomon Islands and Beijing had drafted a security agreement that could allow Chinese military forces onto the islands. The complicated politics of tiny Pacific island nations are less attention-grabbing than missile strikes in the Donbas, but keeping the Western Pacific aligned with Washington might matter more to our future security than the outcome of Vladimir Putin's war.

The high-level meetings between top U.S. and Indian policy makers are even more critical. The war in Ukraine has strengthened the North Atlantic Treaty Organization. The effect on America's relations with India has been more complicated. India has a long history of close military ties with Russia, and many Indian weapons systems today depend on Russian spare parts. Many Indians resent American lectures on India's quest for cheap Russian oil as NATO members continue to subsidize Mr. Putin's war machine by importing as much oil and gas as he is willing to ship.

While India and the U.S. have strengthened their bond over shared concerns about a rising China, they view that problem through different lenses. Americans look at their competition with China through the lens of global politics. Maintaining a balance of power in Eurasia has been a core concept of Anglo-American strategic thought since Elizabeth Tudor fought off the Spanish Armada in 1588. Americans instinctively see the "limitless friendship" between Mr. Putin's Russia and Xi Jinping's China as a geopolitical threat to the global balance of power and see India as a valuable part of a counter-coalition.

Indians see things through a South Asian regional lens, and from that perspective, things aren't looking good. A victory for the Taliban in Afghanistan, instability in Pakistan even as its relations with China deepen, civil war in Myanmar, a major political crisis in Sri Lanka, and China's busily building up its forces on India's northern and northeastern boundaries—this is not the kind of world that India wants.

Worse, from an Indian perspective, American policy isn't helping. The U.S. withdrawal from Afghanistan effectively strengthened Pakistan at India's expense and suggested that Team Biden doesn't see Indian security as a major concern. American attempts to isolate and punish Myanmar's junta, however morally inspiring, appear to some in Delhi to be making a bad situation worse and creating opportunities for China.

Whatever Indians think of Mr. Putin, New Delhi sees Moscow as a valuable source of weapons, an indispensable partner in Afghanistan, and, if not driven into China's arms, a valuable counterweight to Chinese power in Central Asia and beyond. Western policies intended to weaken and impoverish Russia that drive it deeper into alliance with China, do not, many in New Delhi believe, serve India's interests well.

There's more. The Biden administration casts its global strategy around a struggle between enlightened liberal democracy and the nonliberal world. India's Hindu nationalists are not enlisting in that crusade. They want to defend India's Hindu identity, under threat in their view both from proselytizing monotheistic religions like Islam and Christianity and from a Western liberal ideology that seeks to transform communal and gender relations around the world. The more ideological Americans get about their foreign policy, the more difficult the U.S.-India relationship is likely to become.

The pivot to Asia is about more than moving military assets around on the map. To succeed in the Indo-Pacific, the U.S. must learn to incorporate the outlook of great powers like India into its thinking, even as it gives priority to the stability and friendship of small but strategic states like the Solomon Islands.

[Putin's Ukraine War Roils U.S.-India Ties](#)

NS gdp : International Relations | gvexe : Executive Branch | gcat : Political/General News | gcns : National/Public Security | gpir : Politics/International Relations | gpol : Domestic Politics | gsec : State Security Measures/Policies | gvio : Military Action | ncolu : Columns | nedc : Commentaries/Opinions | grisk : Risk News | gvbod : Government Bodies | ncat : Content Types | nfact : Factiva Filters | nfcpx : C&E Executive News Filter

RE india : India | china : China | solil : Solomon Islands | asiaz : Asia | ausnz : Australia/Oceania | easiaz : Eastern Asia | eurz : Europe | ndelh : New Delhi | pacisz : Pacific Islands | pakis : Pakistan | puri : Puerto Rico | russ : Russia | uk : United Kingdom | ukrn : Ukraine | ussrz : CIS Countries | delhi : Delhi | apacz : Asia Pacific | bric : BRICS Countries | caribz : Caribbean Islands | chinaz : Greater China | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe | indsubz : Indian Subcontinent | lamz : Latin America | namz : North America | sasiaz : Southern Asia | usa : United States | usau : U.S. Unincorporated Territories | weurz : Western Europe

IPD COLUMN

IPC N/GEN

PUB Dow Jones & Company, Inc.

AN Document WSJO000020220411ei4b005v5

SE WSJ Pro
HD Geopolitical Risk Index Well Below Recent Peak After Invasion of **Ukraine**
WC 101 words
PD 12 April 2022
ET 03:07
SN WSJ Pro Central Banking
SC RSTPROCB
LA English
CY Copyright © 2022, Dow Jones & Company, Inc.

LP

An index created by Federal Reserve economists to track international risk factors remains off the peaks it hit just after Russia launched its shambolic invasion of Ukraine. Monday's update to the Geopolitical Risk Index saw it at [a reading of 186.86](#), well under a March 1 peak of 539.58. The index's authors say the latest reading is based on news accounts of conflict and can signal shifts in economic momentum. Higher readings can signal a rise in downside risks, falling employment and market trouble.

IN i814 : Banking | ibnk : Banking/Credit | ifinal : Financial Services
NS c22 : New Products/Services | ccat : Corporate/Industrial News | ecat : Economic News | gcat : Political/General News | cexpro : Products/Services | ncat : Content Types | nfact : Factiva Filters | nfcpin : C&E Industry News Filter
RE ukrn : Ukraine | eurz : Europe | uk : United Kingdom | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe | weurz : Western Europe
IPD PRO
IPC G/FED
PUB Dow Jones & Company, Inc.
AN Document RSTPROCB20220411ei4b0005I

CLM Emerging Markets

HD **Ukraine's Bid for European Union Membership Is a Long Shot—for Now**

BY By Craig Mellow

WC 974 words

PD 11 April 2022

SN Barron's

SC B

PG 36

LA English

CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

CX

Corrections & Amplifications

Eoin Drea is senior research officer at the Martens Center for European Studies. An earlier version of this article incorrectly spelled his name.

LP

European Union leaders declared after a summit at Versailles last month that "Ukraine belongs to our European family." That was a rather obvious observation from the 27 member states, considering the popular outpouring for Ukraine across the continent, and their own provision of arms and sanctions to help it fight Russia.

The prospect of EU membership could be key to an eventual peace process, giving Kyiv and Volodymyr Zelensky a win to offset any concessions to Moscow. But moving quickly from poor cousin to a snug room in the EU manor looks all but impossible despite Ukraine's valor in the Western cause.

TD

Even becoming a candidate for membership looks like a long shot, though fresh outrage over apparent Russian atrocities in the village of Bucha could shorten the odds. "There's a huge difference between the rhetoric and the realities" on Ukraine, says Eoin Drea, senior research officer at the Martens Center for European Studies. "There's very little chance of any fast-track accession process."

[Support for Ukraine](#) joining the EU was a plank of the broad peace architecture that Zelensky laid out a few weeks ago, as partial compensation for Kyiv accepting military neutrality. His moral urgency is meeting one of the world's least urgent bureaucratic processes. The EU took more than a decade after the Soviet collapse to absorb the ex-Warsaw Pact and Baltic states. (They joined en masse in 2004.) And that was in headier, end-of-history times.

The last accession was by four million strong Croatia in 2013. Applications from the likes of Serbia and North Macedonia are stuck in the circular file. "There's enlargement fatigue in the EU, and reform fatigue in the candidate countries," says Marie-Eve Belanger, a Geneva University researcher specializing in EU expansion.

Ukraine, with a prewar population of 44 million, has numerous additional strikes against it. It is an impoverished relative: Gross domestic product per capita is less than half of the poorest current EU member, Bulgaria. Letting Kyiv cut the line in front of five existing candidates would be "terribly destabilizing in the western Balkans," Drea says.

All other Eastern European members joined NATO before the EU, Belanger observes, outsourcing their security away from Brussels. That's a card Zelensky says he is willing to trade away. "The first goal of enlargement has been stability," she says. Not what Ukraine has on offer right now.

Zelensky and his government also looked less heroic to EU leaders prewar. "There was a worry they were not dealing quickly enough with longstanding issues of corruption," Drea says. Ukraine ranked 122 in last year's Corruption Perceptions Index from NGO Transparency International, a bit better than Russia at 136.

None of that means the EU's pro-Ukrainian rhetoric is empty. A so-called association agreement Kyiv inked with Brussels in 2017 has brought in 20 billion euros (\$21.8 billion) in aid and soft loans, estimates Richard Youngs, a senior fellow at Carnegie Europe. (This pact spurred the Maidan Revolution and Russia's first invasions of Ukraine back in 2014.)

The EU's Eastern Partnership, which also includes ex-Soviet neighbors Georgia and Moldova, has funneled in yet more cash. Relaxed visa requirements have enabled millions of Ukrainians to work in the EU.

War and [alleged war crimes](#) have raised a clamor to do more, which is dividing the EU along fairly predictable lines. Former Soviet satellites, led by Poland, are pushing for Ukraine to become a candidate. Germany, France, and the Netherlands are tapping the brakes.

"It will take months, maybe years before you get to anything," Dutch Prime Minister Mark Rutte said after the Versailles conclave.

Footage from Bucha could accelerate that timetable, while leaving the content of that "anything" ambiguous. The Versailles summit tasked the European Commission, the bloc's executive body, with a recommendation on the EU's next move vis a vis Kyiv. Commission President Ursula von der Leyen is a personal enthusiast. "Ukraine is one of us and we want them in the European Union," she said shortly after Russia's Feb. 24 invasion.

The EC's formal judgment will be more judicious, however, Youngs predicts. "They won't give it full candidate status, but potential candidate status," he says. "Then they'll move to slow the whole process down."

Ukraine can look to Turkey to judge just how slow that can be. The country has been an EU candidate since 1987, and nominally in accession talks since 2005.

How Eurocrats mince a phrase in Brussels might seem trivial while war rages and corpses pile up. It isn't. The core of this conflict, which has been germinating at least since Ukraine's Orange Revolution of 2004-05, is Ukrainians' desire for a future with the rest of Europe, while Vladimir Putin dreams of keeping them in his "Russian world." Despairing of gaining his objective by persuasion or "hybrid" sabotage, Putin opted finally to try brute force.

So the rest of Europe's response is critical. Ukrainians have to be pleased with the spontaneous explosion of solidarity, despite Zelensky's constant calls for still more Western support. "Symbolic gestures are not as good as formal ones, but they're not nothing," Belanger says.

Looking forward, Ukrainians will need to feel that they gained something for their courage and sacrifice, not to mention foregoing NATO and de facto recognition of losing the territories Russia seized eight years ago. That something is largely for the EU to deliver.

"The EU and its Member States will continue to provide coordinated political, [financial, material, and humanitarian support](#)" to Ukraine, the final communiqué from Versailles read.

A lot depends on how they put flesh on these admirable bones.

Email: editors@barrons.com

CO	euruno : European Union
NS	gcat : Political/General News gdip : International Relations gpri : Politics/International Relations ncolu : Columns ncor : Corrections ncrx : Corrected Items ncat : Content Types
RE	ukrn : Ukraine russ : Russia asiaz : Asia belg : Belgium brus : Brussels easiaz : Eastern Asia eecz : European Union Countries eurz : Europe uk : United Kingdom ussrz : CIS Countries weurz : Western Europe apacz : Asia Pacific benluxz : Benelux Countries bric : BRICS Countries devgcoz : Emerging Market Countries dvpcoz : Developing Economies eeurz : Central/Eastern Europe
IPD	Barrons.com
IPC	n/cor
PUB	Dow Jones & Company, Inc.
AN	Document B000000020220408ei4b00030

WSJ Podcasts

CLM WSJ Podcast Minute Briefing
HD French Police Unit to Assist **Ukraine** in War-Crimes Probe
WC 318 words
PD 11 April 2022
ET 21:58
SN WSJ Podcasts
SC WSJPOD
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

Plus: Some Etsy sellers temporarily close their shops to protest higher commission. Elon Musk says in filing he may engage in Twitter strategy. Trenae Nuri reports.

[Click here to listen to the podcast](#)

TD

Trenae Nuri: Here's your midday brief for Monday, April 11th, I'm Trenae Nuri for The Wall Street Journal. France is sending a police unit to investigate potential war crimes in Ukraine, expanding its involvement in the war zone. The French government previously said it sent defensive weapons to Ukrainian forces though, it didn't say what type. Meanwhile, French president Emmanuel Macron has been speaking to Russian president Vladimir Putin in an effort to maintain an open channel between the Kremlin and the west.

Some sellers on Etsy are temporarily closing their shops to protest the company's decision to raise its commissions. More than 15,000 sellers have signed a petition against the rate increase, which lifts Etsy's cut on transactions from 5% to 6.5%. Etsy executives say the fee hike is critical for it to make investments in marketing and expand seller support services.

After reversing his decision to join the board of Twitter, Elon Musk now says his stake social media company is for investment purposes and that he may engage with Twitter's board on business decisions and other matters that's according to a newly amended regulatory filing from Musk. It's a change from the passive stake Musk had originally indicated he'd taken. The amended filing also says Musk may express his views to the board and the public through social media or other channels. We'll have a lot more coverage of the days news on the WSJ's What's News Podcast. You can add it to your playlist on your smart speaker or listen and subscribe wherever you get your podcasts.

CO combzz : Etsy, Inc. | twnit : Twitter Inc.

IN i64 : Retail/Wholesale | i656000301 : Etailng | iecom : E-commerce | iint : Online Service Providers | imed : Media/Entertainment | iretail : Retail | isocial : Social Media Platforms/Tools | itech : Technology

NS naudvl : Audio-visual Links | ntra : Transcripts | c31 : Marketing | ccat : Corporate/Industrial News | gcrim : Crime/Legal Action | gvio : Military Action | gwar : War Crimes | ncolu : Columns | gcat : Political/General News | gcns : National/Public Security | grisk : Risk News | ncat : Content Types | nfact : Factiva Filters | nfce : C&E Exclusion Filter | nfcpx : C&E Executive News Filter | nfcpin : C&E Industry News Filter | niwe : IWE Filter

RE ukrn : Ukraine | fra : France | eecz : European Union Countries | eurz : Europe | uk : United Kingdom | weurz : Western Europe | dvpcz : Developing Economies | eeurz : Central/Eastern Europe | medz : Mediterranean

IPD SYND

IPC N/CNW

PUB Dow Jones & Company, Inc.

AN Document WSJPOD0020220411ei4b000gp

SE Daily
HD **Nvidia Stock Is Downgraded. China and Russia Are Headwinds.**
BY By Sabrina Escobar
WC 596 words
PD 11 April 2022
ET 21:52
SN Barron's Online
SC BON
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.
LP

Nvidia shares were falling on Monday after the stock was downgraded by a Baird analyst, who cited concerns over slowing consumer demand exacerbated by the Russian embargo.

Nvidia (ticker: NVDA) stock was down for its fifth consecutive day on Monday, losing 5.7% to \$218.13. The stock has lost more than 19% over this five-day period, and 25% this year. This is the stock's worst five-day stretch since March 16, 2020, when it fell 19.9%, according to Dow Jones Market Data.

TD

Analyst Tristan Gerra lowered his rating on the stock to Neutral from Outperform and slashed his price target to \$225 from \$360.

"We believe order cancellations recently started in consumer GPUs," he wrote in a research note on Monday.

The cancellations are driven by a combination of excess GPU, or graphics processing unit, in Western Europe and Asia, as well as a slowdown in consumer demand, especially in China, he said. Slowing consumer demand for GPUs was evident in the continuing reduction in graphics card pricing, he added.

A Barron's stock screen identified Nvidia as one of 27 stocks that could [demonstrate pricing power](#) in an inflationary environment.

The macro field is also complicated for Nvidia, Gerra said. For one, recent Covid-related shutdowns in China could create further logistical problems for the company's supply chain. Second, Russia "likely represents a larger percentage of consumer GPU than the consensus view, driven by both gamers and mining," he said. The recent embargo on trade with Russia in the wake of the invasion of Ukraine could weaken sales, he added.

As a result, Gerra reduced his revenue estimate, as weak GPU demand could impact revenue in the second half of 2022, he said. He also lowered his estimate for gaming revenue.

Gerra's new price target is based on Nvidia trading at 25 times his new 2025 earnings per share estimate, he said.

Last week, Truist analyst William Stein [cut his price targets for several large semiconductor manufactures](#), including Nvidia, Advanced Micro Devices (AMD), and Intel (INTC). Stein noted there may be a coming "negative shift in demand signals" for semiconductors.

Not every analyst is cautious on the stock. Although Citi analyst Atif Malik trimmed his gaming revenue estimates for the first half of 2022 to reflect below-seasonal sales data in Taiwan, he maintained a Buy rating on the stock.

"We continue to believe stock's multiple is supported by data center growth and expect new products launch in September to be the next catalyst for the gaming market," Malik wrote in a research note.

Of the 44 analysts covering the stock, 36 rate it a Buy or Outperform, while seven rate it a Hold and one rates it a Buy. A few weeks ago, Tigress Financial Partners analyst Ivan Feinseth [raised his price target](#)

[on Nvidia to a new Wall Street-high](#), saying he was optimistic about the company's ongoing advancements in artificial intelligence.

Indeed, Barid's Gerra remained positive on the company's long-term fundamentals.

"Despite a hiccup in consumer GPU demand this year, we expect RTX upgrades to represent a continued catalyst medium term, along with AI and software opportunities," Gerra added.

RTX, or real-time ray tracing, is Nvidia's high-end professional GPUs, used for gaming and artificial intelligence processing.

Nvidia's data center revenue outlook also remains strong, Gerra added.

Write to Sabrina Escobar at sabrina.escobar@barrons.com

[Nvidia Stock Is Downgraded. China and Russia Are Headwinds.](#)

CO nvdcpr : NVIDIA Corporation

IN icph : Computer Hardware | i3302 : Computers/Consumer Electronics | i34531 : Semiconductors | icnp : Consumer Goods | ifurn : Furniture | iindele : Industrial Electronics | iindstrls : Industrial Goods | iint : Online Service Providers | itech : Technology | icomp : Computing | iintcir : Integrated Circuits | ividbd : Graphics Integrated Circuits

NS c15 : Financial Performance | gptech : Personal Technology | c1521 : Analysts' Comments/Recommendations | ccat : Corporate/Industrial News | glife : Living/Lifestyle | gcat : Political/General News | ncat : Content Types | nfact : Factiva Filters | nfce : C&E Exclusion Filter | nfcpin : C&E Industry News Filter

RE russ : Russia | asiaz : Asia | china : China | easiaz : Eastern Asia | eurz : Europe | ussrz : CIS Countries | apacz : Asia Pacific | bric : BRICS Countries | chinaz : Greater China | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe

IPD Technology

IPC I/CPR

PUB Dow Jones & Company, Inc.

AN Document BON0000020220411ei4b001gt

SE Daily
 HD **Uranium Miner Cameco Catches an Upgrade. [Russia](#) Is the Reason.**
 BY Al Root
 WC 361 words
 PD 11 April 2022
 ET 20:56
 SN Barron's Online
 SC BON
 LA English
 CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.
 LP

[Uranium](#) miner Cameco caught an upgrade Monday from the Street, which pushed the stock higher initially. Things are pretty good for the company right now—and they're set to [get better](#).

RBC analyst Andrew Wong changed his rating on Cameco (ticker: CCJ) stock to Buy from Hold. His price target went to \$50CDN a share from \$30. The U.S. dollar price targets are roughly \$40 and \$24, respectively. Cameco has both U.S. and Canadian stock listings.

TD

Shares were up about 1.4% in early trading, then dipped into the red. The S&P 500 and Dow Jones Industrial Average were down 1.2% and 0.5%, respectively.

The stock has been strong. Shares are up roughly 50% since Russia invaded Ukraine in late February, for primarily two reasons.

First, the war raised the possibility that Europe would turn from using less natural gas-generated power—the continent's countries buy large supplies of natural gas from Russia—and more nuclear power. And second, Russia is also a supplier of uranium to nuclear-power plants. If that supply gets hit by sanctions from the West, commodity markets would tighten even more, and Cameco more than like would pick up more business as one of the world's largest uranium producers.

The [Russia-Ukraine war](#) was a key factor in Wong's upgrade.

"We believe the Russia/Ukraine war and subsequent shift in Western markets away from exposure to Russia have fundamentally changed the uranium market outlook and long-term market structure," wrote the analyst Monday. "We see Cameco as best-positioned to meet market needs in this transition with Western-based proven and potential production along the nuclear fuel cycle."

All analysts covering Cameco rate shares Buy; before the invasion, about 85% of analysts recommended the stock. The [average](#) Buy-rating ratio for stocks in the S&P is 58%.

The average analyst [price target](#) is about \$32 a share, up from \$29 just before the invasion.

Write to Al Root at allen.root@dowjones.com

[Uranium Miner Cameco Catches an Upgrade. Russia Is the Reason.](#)

CO smdc : Cameco Corp
 IN i22 : Primary Metals | i224 : Non-ferrous Metals | ibasicm : Basic Materials/Resources | imet : Mining/Quarrying | iuran : Uranium Ore Mining | i211 : Metal Ore Mining | infmore : Non-ferrous Metal Ore Mining
 NS c1521 : Analysts' Comments/Recommendations | c181 : Acquisitions/Mergers/Shareholdings | cacqu : Acquisitions/Mergers | cactio : Corporate Actions | ccat : Corporate/Industrial News | c18 : Ownership Changes | ncat : Content Types | nfact : Factiva Filters | nfce : C&E Exclusion Filter | nfcpin : C&E Industry News Filter

RE russ : Russia | asiaz : Asia | easiaz : Eastern Asia | eurz : Europe | ussrz : CIS Countries | usa : United States | apacz : Asia Pacific | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe | namz : North America

IPD Street Notes

IPC CCO.T

PUB Dow Jones & Company, Inc.

AN Document BON0000020220411ei4b0028I

THE WALL STREET JOURNAL.

CLM Pro Cyber Research
SE WSJ Pro
HD **Conflict in [Ukraine](#): Preparing for Cyberattacks**
BY By Rob Sloan, Research Director, WSJ Pro
WC 1,327 words
PD 11 April 2022
ET 20:03
SN The Wall Street Journal Online
SC WSJO
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

The purpose of this briefing paper is to help executives understand the latest cyber developments in Ukraine, how attacks launched against Ukrainian targets could indirectly affect organizations outside the country, and what business leaders can do to reduce cyber risk at this time.

Key Points:

TD

* The Russian invasion of Ukraine has been accompanied by cyber activity, including denial-of-service attacks and malware designed to wipe data from computers.

* There is a risk that cyber attacks could spread beyond their intended target and cause collateral damage around the world, as happened in 2017. Evidence shows some attacks have spread beyond Ukraine's borders to Lithuania and Latvia, but not to U.S. businesses as of Feb. 25.

* There are steps businesses can take at this time to reduce risk, even when it is not clear exactly what they may have to defend against.

Ukraine-Related Cyberattacks So Far:

In mid-January, the first hostile cyber activity took place with the [defacement](#) of websites belonging to several Ukrainian government ministries, including the Foreign Ministry and the Ministry of Education and Science. The attack, akin to digital vandalism, claimed users' data had been compromised and uploaded online, though there was no evidence to support this.

In mid-February, a more disruptive [attack](#) took place with Ukraine's Ministry of Defense and Armed Forces websites and the online services of two state-owned banks targeted with a denial-of-service attack. Servers were overloaded with junk data, causing them to go offline.

Malware capable of wiping data from machines has been spreading in Ukraine. Microsoft Corp. detected malware it dubbed '[Whispergate](#)' in January while cybersecurity companies Symantec, a division of Broadcom Inc., and Slovakia-based cyber firm ESET [revealed](#) a similar malware that had infected hundreds of computers in Ukraine, as well as Latvia and Lithuania, [some](#) for several months. Targets included financial organizations and government contractors. Ukrainian officials [blamed](#) Russia.

The Russian government has previously denied any involvement in cyberattacks. While Russia certainly has the motivation to attack, it is possible the attacks were carried out by hackers aligned to the Russian state's aims.

Russian government hackers have [previously](#) shown their willingness to attack Ukraine. In 2017, the attack, dubbed 'NotPetya', first appeared to be ransomware and targeted users of a Ukrainian software application that affected organizations around the world, ultimately causing billions of dollars of [damage](#) to firms including FedEx Corp. and Merck & Co. Multiple governments and private sector security

organizations linked the attack back to Russian state-sponsored actors, though the Russian government denied involvement.

Likely Targets of Attacks:

Inside Ukraine, the most likely targets for attacks include the military, government agencies, financial services and energy firms. Attacks against the government could yield valuable intelligence on how Ukraine planned to respond to an invasion, while disrupting the economy and energy supplies could bring normal life to a grinding halt and increase psychological pressure on civilians.

Outside Ukraine, the U.S. Cybersecurity and Infrastructure Security Agency issued an [alert](#) on Feb. 14 warning of the risk to defense contractors from Russian state-sponsored hackers. Military and government networks of countries allied to the North Atlantic Treaty Organization could also be targeted. However, Russian interests are broad and the targeting could affect any number of industries or discrete businesses.

Emilian Papadopoulos, president at cyber risk advisory firm Good Harbor Security Risk Management, said that even though a company is not on the list of organizations likely to be explicitly targeted, it still needs to think about the risk of indiscriminate attacks.

In particular, Mr. Papadopoulos highlighted the potential from widespread disruption if a cloud provider is attacked: "We're incredibly dependent on cloud services, especially AWS and Microsoft, and I worry about how a targeted attack bringing down a major datacenter could have huge follow on consequences across critical infrastructure."

AWS is the cloud service provided by Amazon.com Inc. and Microsoft's cloud service is called Azure.

Risk Mitigating Actions:

While it is difficult to provide protective measures that will work for every company, CISA has promoted a '[Shields Up](#)' approach that recommends all organizations consider a "heightened posture when it comes to cybersecurity and protecting their most critical assets." This includes:

- * Reducing the likelihood of a damaging cyber intrusion, for example by confirming software is up to date and multi-factor authentication is being used on all privileged accounts.
- * Taking steps to quickly detect potential intrusions, especially when working with Ukrainian organizations, and being prepared to investigate.
- * Ensuring the organization is prepared to respond with a crisis-response team that has clear roles and responsibilities and conducts exercises to test responses.
- * Maximizing the organization's resilience to a destructive cyber incident by testing backup procedures and conducting tests of manual controls for operational technology.

Matt Stamper, chief information security officer and executive advisor at digital services company Evotek Inc, said that while CISOs cannot anticipate all forms of cyber risk, their understanding of the organization is key.

"Our knowledge as to how the organization derives enterprise value – the business processes and the applications and systems that underpin them – is foundational," he said. "CISOs need to know the organization well including dependencies on technology, staff, vendors, supply chain, locations, etc. Knowing these factors allows CISOs to conduct baseline threat models." Mr. Stamper added high value assets and systems should be evaluated for these risks.

Mr. Stamper also sees tabletop exercises, where stakeholders take part in attack simulations to test an organization's response readiness, as a critical component of an organization's readiness planning. "Tabletop exercises are hugely important to the overall security program. Getting stakeholders from different departments together to review responses to risks such as ransomware, stolen or compromised credentials, distributed denial-of-service, malware, etc. helps break down the silos that frequently exist within an organization."

"I try to frame the effort up front such that there are no right or wrong answers – the goal is to evaluate how prepared the organization is," he said, adding that he seeks to highlight areas of ambiguity that require clarification, and to note where additional resources and refinement are in order. "Open dialogue and collaboration are key. Tabletop exercises do not need to be complicated affairs – they just need to happen."

Questions the Chief Executive Should Ask:

Chief executives should be proactive in understanding the readiness of the business to defend against and respond to cyberattacks during this crisis. Mr. Papadopoulos suggested asking two questions to gain a level of assurance.

"CEOs need to ask 'Is there anything we can be doing right now to go 'Shields Up' for this limited period of time while we're at heightened risk from the situation in Ukraine?'" he said. While this might involve a degree of inconvenience, there may be security benefits from increasing the frequency of patching systems, turning up the sensitivity of detection technologies to alert on suspicious activity and segmenting systems that cannot easily be patched from the internet to prevent attacks.

Mr. Papadopoulos also recommended CEOs agree with the board how and how often they will communicate updates to the board. "The last thing a CISO needs during a crisis is to be getting phone calls from every single board member every two hours asking 'What's the latest?'" The board and CEO should give the security executive space to deal with the crisis.

Meet the Author

Rob Sloan is research director at WSJ Pro focusing on providing thought leadership, building datasets and contributing to the WSJ Pro Cybersecurity product suite. Contact Rob at rob.sloan@wsj.com

WSJ Pro Research is a premium membership that supports executive decision making on critical business issues by supplementing the news with timely, in-depth research and data.

All WSJ Pro Cybersecurity research reports, webinars, events and data are available at wsj.com/pro/cybersecurity/research

[Conflict in Ukraine: Preparing for Cyberattacks](#)

NS ghack : Cybercrime/Hacking | gcvir : Malware | gdatap : Privacy Issues/Information Security | gcrim : Crime/Legal Action | ncolu : Columns | gcat : Political/General News | ncat : Content Types | nfact : Factiva Filters | nfcpx : C&E Executive News Filter

RE ukrn : Ukraine | russ : Russia | asiaz : Asia | easiaz : Eastern Asia | eurz : Europe | uk : United Kingdom | ussrz : CIS Countries | apacz : Asia Pacific | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcos : Developing Economies | eeurz : Central/Eastern Europe | weurz : Western Europe

IPD 0

IPC N/CRM

PUB Dow Jones & Company, Inc.

AN Document WSJO000020220411ei4b002gx

THE WALL STREET JOURNAL.

CLM Asia Economy
SE Economy
HD **China Inflation Rises as Lockdowns, [Ukraine](#) War Drive Up Prices; Inflationary pressure remains lighter than in other major economies, giving the central bank room to stimulate the slowing economy**
BY By Jason Douglas
WC 641 words
PD 11 April 2022
ET 12:15
SN The Wall Street Journal Online
SC WSJO
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

SINGAPORE—Inflation in China picked up in March as soaring global commodity prices and lockdowns in major cities drove up prices for consumers and businesses.

The overall inflationary picture in China remains far more benign than in the U.S. and other major economies, though, giving the government and central bank ample room to support the slowing economy with stimulus.

TD

Consumer prices in March were up 1.5% from a year earlier, [the biggest annual jump in three months](#), while the prices charged by companies at the factory gate were up more than 8%, exceeding the expectations of economists polled by The Wall Street Journal.

The inflation data highlight how China's stringent pandemic control measures are increasingly affecting consumer prices, with the cost of some everyday goods rising rapidly while prices for services drop as consumers stay home.

Data from the National Bureau of Statistics on Monday showed prices for fresh vegetables up an annual 17% in March, fruit up 4.3% and flour up 4.6%. On the flip side, prices for airfares and tickets to tourist hot spots tumbled. Gasoline prices were up 25% as [Russia's invasion of Ukraine](#) sent global oil prices rocketing.

China's zero-tolerance strategy for combating Covid-19 faces its sternest test with the fast-spreading Omicron variant of the virus, which is damping consumer spending, clogging up supply chains and casting doubt on whether the government can meet this year's [economic-growth goal of around 5.5%](#).

Authorities in March imposed lockdowns in areas including the southern technology hub of Shenzhen and the northeastern industrial province of Jilin. Shanghai, China's most populous city and a financial and commercial powerhouse, [remains under lockdown](#) as authorities struggle to contain an outbreak.

Ting Lu, chief China economist at Nomura in Hong Kong, said he expects consumer-price inflation in China to accelerate further this year, to around 2%, as households in China keep stocking up on food and other essentials in case they get stuck at home under Covid-19 containment measures.

Iris Pang, chief economist for Greater China at ING in Hong Kong, said that rate would still be "extremely mild" compared with inflation in the U.S., where consumer prices are notching gains not seen in 40 years. Economists polled by The Wall Street Journal expect the U.S. consumer-price index for March to be up 8.4% from a year earlier.

That means while the Federal Reserve is signaling a series of interest-rate increases in the U.S., the People's Bank of China is expected to ease policy further to buttress growth, which is sputtering in China as Covid-19 spreads and export growth and the real-estate sector slow.

"For China, inflation is not really an issue for now," Ms. Pang said.

Producer prices also rose in March, data showed. Prices charged by companies at the factory gate were up 8.3% from a year earlier, a slower pace than February's 8.8% but faster than the 8% that economists polled by The Wall Street Journal were expecting.

Producer prices in March were up 1.1% from February, double the previous 0.5% monthly gain, as geopolitics and other international factors drove up commodity prices, said Dong Lijuan, a senior statistician with China's statistics bureau. Russia's invasion of Ukraine has pushed up prices for commodities ranging from oil to nickel to wheat, heaping costs on factories world-wide.

Bingyan Wang and Grace Zhu in Beijing contributed to this article.

Write to Jason Douglas at jason.douglas@wsj.com

[China Inflation Rises as Lockdowns, Ukraine War Drive Up Prices](#)

NS ecat : Economic News | ecpin : Consumer Price Index | e1103 : Inflation Figures/Price Indices | gsars : Novel Coronaviruses | e11 : Economic Performance/Indicators | ghea : Health | ncolu : Columns | npred : Economic Predictions/Forecasts | gcat : Political/General News | gcolu : Respiratory Tract Diseases | gmed : Medical Conditions | gspox : Infectious Diseases | ncat : Content Types

RE china : China | chinaz : Greater China | easiaz : Eastern Asia | asiaz : Asia | eurz : Europe | namz : North America | uk : United Kingdom | ukrn : Ukraine | usa : United States | apacz : Asia Pacific | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eenrz : Central/Eastern Europe | weurz : Western Europe

IPD Wires

IPC G/FED

PUB Dow Jones & Company, Inc.

AN Document WSJO000020220411ei4b000jh

THE WALL STREET JOURNAL.

CLM Review & Outlook (U.S.)
SE Opinion
HD **Boris Johnson Tours Kyiv; The British Prime Minister makes a surprise and welcome visit after Ukraine wins the battle for the capital against Russia.**
BY By The Editorial Board
WC 231 words
PD 11 April 2022
ET 19:06
SN The Wall Street Journal Online
SC WSJO
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

Boris Johnson may have messed up British energy policy, but the Prime Minister has been stalwart in support of Ukraine against Russia. His latest effort was a personal trip to Kyiv to visit President Volodymyr Zelensky on the weekend, including a one-on-one meeting and a stroll through the streets.

Call it a photo-op if you like, but this one matters. Ukraine has won the battle of Kyiv, which Mr. Johnson called "the greatest feat of arms of the 21st century." European Commission President Ursula von der Leyen also visited Kyiv and offered a fast-track to European Union membership.

TD

This solidarity sends an important political signal of European support, though it's not as crucial as more and heavier weapons as a new campaign in eastern Ukraine unfolds. Britain is sending 120 armored vehicles and new antiship missiles to Ukraine. The latter could help deter a Russian attempt at a marine landing against Odessa on the Black Sea.

The Biden Administration says it's also sending more weapons, but our sources say the flow is still too slow. President Biden, please follow the Prime Minister and help Ukraine win this war, not merely survive it.

[Boris Johnson Tours Kyiv](#)

NS gvexe : Executive Branch | gcat : Political/General News | gdip : International Relations | gpir : Politics/International Relations | ncolu : Columns | nedc : Commentaries/Opinions | gpol : Domestic Politics | gybod : Government Bodies | ncat : Content Types | nfact : Factiva Filters | nfcpx : C&E Executive News Filter
RE ukrn : Ukraine | russ : Russia | asiaz : Asia | easiaz : Eastern Asia | eurz : Europe | uk : United Kingdom | ussrz : CIS Countries | apacz : Asia Pacific | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe | weurz : Western Europe
IPD Opinion |
IPC N/GEN
PUB Dow Jones & Company, Inc.
AN Document WSJO000020220410ei4a002p9

HD The Ukraine Crisis: Conflict Sparks an Exodus Of Russia's Professionals

BY By Georgi Kantchev, Evan Gershkovich and Yuliya Chernova

WC 831 words

PD 11 April 2022

SN The Wall Street Journal

SC J

PG A6

LA English

CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

Hundreds of thousands of professional workers, many of them young, have left Russia since its invasion of Ukraine, accelerating an exodus of business talent and further threatening an economy targeted by Western sanctions.

Those leaving the country include tech workers, scientists, bankers and doctors, according to surveys, economists and interviews with emigrants. They are departing for countries including Georgia, Armenia and Turkey. More are expected to follow.

TD

A mid-March survey by OK Russians, a nonprofit helping people leave the country, estimated that around 300,000 workers had departed since the war started in late February. While precise counts of the number of people leaving Russia aren't available, some economists have reached similar conclusions about the scale of the outflow. Around 500,000 people left Russia in 2020, according to Rosstat, Russia's statistics agency.

"The people who are either leaving or planning to leave are highly educated and generally young," said Elina Ribakova, deputy chief economist at the Institute of International Finance. "This is your most productive part of the labor force that is disappearing."

The European Bank for Reconstruction and Development, a top regional development bank, expects the Russian economy to contract 10% this year.

It added that people leaving Russia, coupled with reduced investment and trade, would result in lower long-term productivity growth. Spending on information technology is expected to drop sharply.

While Russia has encouraged dissenters to leave, it has also acted to stem the outflow of professional workers. President Vladimir Putin signed in March a decree granting a waiver from military conscription to people employed in the tech sector. Russian authorities are also offering tax breaks, cheaper loans and preferential mortgages to entice tech workers to stay.

"Of course, this mobility [of workers] remains and may even accelerate, but the government has already taken measures," Kremlin spokesman Dmitry Peskov said recently.

The outflow of workers represents a fraction of Russia's 145 million people. Mr. Putin's approval rating in Russia has risen since the Ukraine invasion was launched Feb. 24 -- to 83% in March from 71% in the prior month -- according to Levada Center, an independent Russian pollster. Levada has also found much higher support for the war among older respondents than younger Russians.

The tech industry, until recently one of the fastest-growing sectors in the Russian economy, has already lost between 50,000 and 70,000 workers, according to data presented by the Russian Association for Electronic Communications during a March 22 committee hearing at the State Duma, the lower house of Parliament. The group said it expects as many as 100,000 more to follow in April.

The Russian tech industry employs around 1.3 million people, or about 1.7% of the country's workforce, according to the U.S. International Trade Administration's October 2021 Russia overview.

Many people leaving are taking their businesses with them. Some top managers of state-owned and private companies have departed in recent weeks.

Sasha Kazilo, co-founder of the startup Funexpected, which makes apps to help preschoolers learn math, recently left Russia for Paris. She took her family and business with her. Around 15 developers at the business have already left or are in the process of moving, she added.

When the war started, she said she thought, "It was all a nightmare, and we had to wake up." After her husband, Leonid Rybnikov, was jailed for 13 days for posting antiwar stickers in their neighborhood, they decided it was time to leave. In Paris, they have friends, and her husband has secured a research job.

"Before the war, maybe I was under the illusion that things could change in Russia and we could build our company there," she said. "I can't imagine that anymore."

Andrey Panov said he resigned as deputy chief executive officer of Aeroflot-Russian Airlines PJSC, the state-owned carrier, and left 10 days after the invasion began.

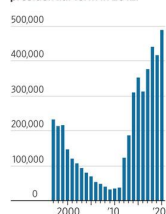
"I decided it was just impossible to work for a state-owned company," he said from Israel, where he is currently based. "The country changed in the matter of one week."

The Russia CEO of the tech company Yandex, Elena Bunina, said in a message on an internal company forum that she left the country for Israel and would be quitting this month. Two Yandex employees familiar with the matter confirmed the announcement, which was published by Russian media.

"I can't live in a country that goes to war with its neighbors," Ms. Bunina wrote.

Those who study Russia said the pace at which people are departing hasn't been seen since the 1917 revolution, when millions of the Russian nobility and educated upper-middle classes fled the emerging Communist state. Several million Russians left after the demise of the Soviet Union in 1991, but did so over several years.

Emigration from Russia has increased since the start of Vladimir Putin's third presidential term in 2012.



Note: Statistics available through 2020
Source: Rosstat, Russia's statistics agency

[License this article from Dow Jones Reprint Service](#)

CO ssjhoi : Federal State Statistics Service of Russia

NS gjob : General Labor Issues | nimage : Images | nsur : Surveys/Polls | gvio : Military Action | gcat : Political/General News | gcns : National/Public Security | grisk : Risk News | ncat : Content Types

RE russ : Russia | ukrn : Ukraine | asiaz : Asia | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe | eurz : Europe | ussrz : CIS Countries

IPC PIC

PUB Dow Jones & Company, Inc.

AN Document J000000020220411ei4b00011

WSJ Podcasts

CLM WSJ Podcast What's News
HD **Ukraine, Russia** Rearm Ahead of War's Next Phase
WC 2,634 words
PD 11 April 2022
ET 15:21
SN WSJ Podcasts
SC WSJPOD
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.
LP

A.M. Edition for April 11. Ukrainian and Russian reinforcements are pouring into eastern Ukraine's Donbas region ahead of an expected Russian offensive there. WSJ national security reporter Brett Forrest joins us from Kyiv to explain how the next phase of the war is likely to compare with the six weeks of fighting so far, and why the battle could shift to Russia's advantage unless Ukraine receives additional weapons. Luke Vargas hosts.

[Click here to listen to the podcast](#)

TD

Luke Vargas: Ukraine and Russia gear up as fighting shifts to Ukraine's East. We'll get the latest from Kiev.

Brett Forrest: Russia's going to be much closer to its supplies to its own border. So Ukraine will be less able to conduct the sort of gorilla warfare that has so far been really successful for them.

Luke Vargas: Plus economists forecast an increased risk of a US recession, and Elon Musk walks back his plans to join Twitter's board. It's Monday, April 11th, I'm Luke Vargas with the Wall Street Journal. Here's the AM edition of What's News, the top headlines and business stories moving your world today. Ukrainian and Russian reinforcement continue to pour into Eastern Ukraine in preparation for the next phase of the war as refugees flee a looming Russian assault. Fresh Russian tank and artillery units, as well as forces withdrawn from areas around the Ukrainian capital, Kiev, began arriving in recent days ahead of the expected offensive. Ukraine also started moving combat units toward the Donbas area in the East. Ukrainian authorities over the weekend urged all civilians in Ukrainian controlled areas of the Donbas, as well as two districts of the Kharkiv region to use all available means to leave immediately. We'll have more on what the likely next phase of the war in Ukraine could look like later in the show.

Meanwhile, the World Bank now projects, the war will shrink Ukraine's economy this year by more than 45% in addition to inflicting enormous damage on the country's infrastructure. The bank also said the war is stoking concerns of a global economic slowdown as it forecast at countries, including Belarus, the Kyrgyz Republic, Moldova and Tajikistan will join Ukraine and Russia in falling into a recession. French president, Emmanuel Macron and far right leader Marine Le Pen are set to face each other in the second round of the French presidential elections on April 24th after placing first and second respectively in a first round of voting yesterday. WSJ Paris Bureau chief Stacy Meichtry says that while the Macron-La Pen face off looks like a rematch of the 2017 presidential election, the landscape now is much different.

Speaker 3: The far right vote is bigger than ever. If you look at the voting from Sunday, you'll see that more than half of the votes went to parties that are either far right or far left. So the typical establishment party in France, they've almost evaporated at this point. And that means there's not a ton of moderate electorate for Macron to draw from in the second round.

Luke Vargas: Inflation in China has picked up 1.5% in March compared to a year earlier, the biggest annual jump in three months. The cost of some everyday goods, including food rose sharply, while prices for services dropped as consumers stayed home. Separately, a more than 10% drop in passenger car sales in March, spotlights a different set of challenges for the world's biggest car market as car makers grapple with extended manufacturing halts because of COVID lockdowns and logistics delays. And Tesla

CEO, Elon Musk has reversed his decision to join the board of Twitter according to an announcement yesterday by Twitter CEO, Parag Agrawal.

Agrawal didn't provide a reason for Musk's decision, but said Musk remains Twitter's biggest shareholder and, "We will remain open to his input." The late Sunday announcement capped a whirlwind week in which Musk's 9.2% stake in Twitter was made public along with plans for him to join the company's board. Musk didn't respond to a request for comment. Economic forecasters are raising the probability of a recession in the US economy in the next 12 months. However, as Journal Market's reporter, Caitlin McCabe writes some investors still sense opportunity in the markets and Caitlin joins us now with more. Hi, Caitlin, how are you?

Caitlin McCabe: I'm great. Thanks for having me. How are you?

Luke Vargas: I'm doing great. So what signs are economists seeing here as they warn about this heightened risk of a recession in the United States?

Caitlin McCabe: So economists surveyed by the Wall Street Journal this month on average put the probability of a US recession sometime in the next 12 months at 28%. And that's up from 18% just a few months ago in January and only 13% a year ago. And really the reason behind this is something that we've all been hearing about and talking about a lot lately, and that's high inflation. 27% of respondents surveyed by the Wall Street Journal pointed to wage growth or a tight labor market as the biggest inflationary threat. And this really puts the Fed in this delicate balancing act. It has to raise rates enough to cool the economy and bring down inflation, but not so much that it actually tips the economy into a recession.

Luke Vargas: You mentioned concerns about wage growth and inflation weighing on how economists are forecasting the year to come. We are also six plus weeks into the war in Ukraine. To what extent is that dragging down economists' projections?

Caitlin McCabe: So it's really interesting. If you think back six weeks ago, things were feeling pretty bleak in the markets. This was also coming at a time where we were still getting decades high inflation reading. The Fed was starting to tee up its first rate hike since 2018. And so stocks were falling at their worst this year. And then suddenly in early to mid-March we saw this U-turn and I think the first few days of it investors were thinking, "This is just a brief move higher, and we'll just continue this trajectory lower." And instead I think a lot of investors were caught off guard when markets just kept climbing and climbing, and the S&P 500 is down only about 6% for this year now, about half of where it was at its worst.

Luke Vargas: Could you unpack that a little more? Why at least are some investors continuing to really sense opportunity here?

Caitlin McCabe: So there are actually myriad factors driving this right now. And one of the main reasons being is that stocks really don't do that poorly after the Fed starts hiking rates. So a Dow Jones market data analysis showed that after one year the S&P 500 and the NASDAQ composite that were up 80% of the time, one year after the Fed started hiking rates. And so I think a lot of investors right now are thinking, "Even if the economy tips into a recession, there's still quite a bit of time until that happens, and they're still quite a bit of time to leave money in the market." I think investors are still seeing some signs of positive news in the economy. The American balance sheet is still healthy. Consumers saved a lot during the pandemic, and so they think that will help, at least for the short term, insulate some of these inflation shocks that we've been seeing. And I think corporate earnings, which of course kick off this week are expected to be pretty good as well. And so I think those two things are also making investors optimistic, at least in the short term.

Luke Vargas: That was journal markets, reporter, Caitlin McCabe. Caitlin, thanks for the update.

Caitlin McCabe: Thanks for having me.

Luke Vargas: Coming up, we'll hear from our reporter in Kiev as Ukraine and Russia prepare for what's expected to be an intense fight in the Eastern Donbas region. What could this next phase of the war look like and how are both sides mobilizing? We'll have that story after the break. Ukraine and Russia have started amassing reinforcement in Eastern Ukraine as their six week war seems geared for a new phase. Russia is expected to launch an attack on parts of the Eastern Donbas region that are not yet controlled by Moscow in what could soon become one of the war's biggest battles. WSJ national security reporter, Brett Forrest joins us today from the streets of the Ukrainian capital Kiev. Brett, thank you for being with us. Welcome.

Brett Forrest: Thank you, Luke.

Luke Vargas: Brett, let's start by looking at what signs we have that a new Russian offensive in this war may be imminent. When could we expect to see this? And if we do, how might it manifest?

Brett Forrest: Well, I think it's pretty clear that one is imminent. Of course, we know that Russia has largely pulled back its forces, especially from in and around Kiev and other areas. And you couple that with the understanding that Russia has not ended this war, and you realize that they're retooling, reloading and redirecting. And I think we're also seeing some of that continuing softening up on civilian targets as we saw on with the attack on the Kramatorsk Train Station. So this new offensive is coming and it should be coming fairly soon.

Luke Vargas: And what do we believe the strategic goal of this coming offensive to be? It seems as from the beginning of the war, there were multiple axes of a fight being pursued at once. Perhaps a consolidated is occurring now. Toward what end?

Brett Forrest: Yeah. That's exactly what we're seeing. I think it's pretty clear that Russia's initial goals were overly ambitious, both in terms of scope and speed, timeline, et cetera. And now is the time when Russia is focusing on more achievable goals and more achievable timeframes. And I think it's really a two part answer. One is this so-called Land bridge that everyone's been talking about for a while, which would connect Russia proper across the Northern lip of the Azov Sea to Crimea, which Russia has almost achieved except for the holdout in Mariupol'. That's one. And then the second one is consolidation and expansion of Russian territorial gains in the east, building off of the Donbas war that began in 2014. And it is likely that we'll see offensives northward toward Kharkiv, the city on the Russian border that has been besieged basically since the beginning of the war, and then possibly due westward to the critical city of Dnipro. And the Russian forces recently destroyed the airport there, and that I think remains a pivotal goal for them.

Luke Vargas: Is Ukraine prepared for this next phase of the war, which many expect to take on a rather conventional military form?

Brett Forrest: Yeah, Luke, that's a really good question because this will be a different kind of war or at least a different phase of this war. Ukraine has had out of success so far attacking extended Russian columns. And that's not how this next phase is going to likely be fought because Russia is going to be much closer to its supplies. So Russia will be able to dig in and Ukraine will be less able to conduct the sort of guerilla warfare that has so far been really successful for them. So that's why you see Ukrainian president Volodymyr Zelenskyy renewing calls for offensive weapons because Ukraine really does now need different kinds of weapons to fight a very different kind of battle.

Luke Vargas: And do we have a sense of whether those weapons are now being provided to Ukraine by the west?

Brett Forrest: I think the jury is still out. Of course, you saw the visit of Boris Johnson, the UK prime minister to Kiev yesterday. And he pledged to supply more armored vehicles and also anti ship missiles, which I think would be important for Ukraine in the Azov Sea, also in the Black Sea, but you're still feeling a sense of reluctance from the United States and others to supply exactly the sorts of things that President Zelenskyy is asking for. On the other hand, with the terrible attack of civilians at the Kramatorsk Train Station, but you pair that with the attack on the theater in Mariupol' and also with the terrible events in Bucha. And I think these are the sorts of incidents that begin to change people's minds and calculations and policies. And I think coming out of Washington, you're hearing increasing words from officials which seem to forecast just such a change. So I think it's important to keep an eye on that in the coming days.

Luke Vargas: Finally, Brett, have people been able to evacuate these areas in Eastern Ukraine ahead of the expected fighting there?

Brett Forrest: It's a real mixed bag. Of course, you see a lot of people hearing the call to get out, but you see people having trouble getting out, such as in Kramatorsk and other areas where Russia continues to fail to honor agreements providing humanitarian convoys or green corridors, if you will. On top of that is the fact that a lot of people, I think in Ukraine, just anecdotally, from what I've seen, have trouble believing just how brutal Russia has been in this war. I know from talking to people who have relatives in the east who have tried time and again to get their relatives to move, to get on a train, to get in a car, a lot of their relatives say they just don't believe it. I'll mention Bucha again. I think that has been a turning point for some people in Ukraine who have been skeptical about just what Russian occupation looks like. And I've heard just again, anecdotally, that more people are saying it's time to get out and get west and get to safety.

Luke Vargas: That was WSJ reporter, Brett Forrest joining us today from Kiev. Brett, thank you so much for the update and stay safe.

Brett Forrest: Thank you.

Luke Vargas: And finally, compared to the apparel industry at large, the growing active wear industry, hasn't made as many strides in selling their clothes in larger sizes, especially for those looking for technical gear like knee pads, hiking pants, or racing kits. WSJ reporter Katie Dayton says that while a glaring oversight in product offerings might have gone unaddressed before, brands are increasingly under pressure to design around those who actually use their products, or risk possible competition from startups.

Katie Dayton: Gen Z is such a big market that marketers and companies want to tap right now. And we see in so many aspects of life how much inclusion is important to them? I think anyone that is deliberately designing out people because of their body shape is not going to have many fans down the road.

Luke Vargas: And that's what's news for Monday morning. We'll be back tonight with a new show. I'm Luke Vargas with the Wall Street Journal, thanks for listening.

CO teslmi : Tesla, Inc. | twnit : Twitter Inc.

IN i351 : Motor Vehicles | i35104 : Alternative Fuel Vehicles | iaut : Automotive | iint : Online Service Providers | imed : Media/Entertainment | isocial : Social Media Platforms/Tools | itech : Technology

NS ecat : Economic News | naudvl : Audio-visual Links | ntra : Transcripts | gvio : Military Action | ncolu : Columns | nitv : Interviews | gcat : Political/General News | gcns : National/Public Security | grisk : Risk News | ncat : Content Types | nfact : Factiva Filters | nfce : C&E Exclusion Filter | nfcpx : C&E Executive News Filter | niwe : IWE Filter

RE ukrn : Ukraine | russ : Russia | asiaz : Asia | donsk : Donbas | easiaz : Eastern Asia | eurz : Europe | uk : United Kingdom | ussrz : CIS Countries | apacz : Asia Pacific | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcos : Developing Economies | eeurz : Central/Eastern Europe | weurz : Western Europe

IPD SYND

IPC N/GEN

PUB Dow Jones & Company, Inc.

AN Document WSJPOD0020220411ei4b0005I

WSJ Podcasts

CLM WSJ Podcast Minute Briefing
HD **Russia, Ukraine Prepare for War's Biggest Battles**
WC 330 words
PD 11 April 2022
ET 15:18
SN WSJ Podcasts
SC WSJPOD
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

Twitter's CEO says Elon Musk has decided not to join the company's board of directors. Economists say the risk of a U.S. recession is rising. Keith Collins hosts.

[Click here to listen to the podcast](#)

TD

Keith Collins: Here's your Morning Brief for Monday, April 11th. I'm Keith Collins for The Wall Street Journal.

Russia and Ukraine are preparing for what are expected to become the war's biggest battles, according to Western and Ukrainian officials. Refugees fled Eastern Ukraine, home to the Donbas region as Russia focuses on seizing areas there that it doesn't control. In Brussels, European Union officials are seeking to make oil the focus of their next set of economic measures against Russia.

Shares in Twitter fell in pre-market trade after its CEO said Elon Musk has decided not to join the company's board of directors after becoming its largest shareholder. Twitter's CEO Parag Agrawal didn't provide a reason for Musk's decision, which comes days after plans for him to join the board had been disclosed. The Tesla CEO didn't respond to a request for comment.

Forecasters are seeing a growing risk of recession as the strong U.S. economy is helping to drive a surge in inflation that the Federal Reserve is attempting to contain. Economists surveyed by The Wall Street Journal, on average, put the probability of a U.S. recession sometime in the next 12 months at 28%, up from 18% in January. They cited inflationary risk factors, including commodity, food, and gasoline prices, a tight labor market, and the war in Ukraine. Markets in Asia ended mostly lower and European shares mostly fell in early trading.

We have a lot more coverage of the day's news on the WSJ's What's News podcast. You can edit your playlist on your smart speaker or listen and subscribe wherever you get your podcasts.

CO teslmi : Tesla, Inc. | twnit : Twitter Inc.

IN i351 : Motor Vehicles | i35104 : Alternative Fuel Vehicles | iaut : Automotive | iint : Online Service Providers | imed : Media/Entertainment | isocial : Social Media Platforms/Tools | itech : Technology

NS naudvl : Audio-visual Links | ntra : Transcripts | c41 : Management | c411 : Management Moves | cboard : Board of Directors | ccat : Corporate/Industrial News | ncolu : Columns | ncat : Content Types | nfact : Factiva Filters | nfce : C&E Exclusion Filter | nfcpx : C&E Executive News Filter | nfcpxin : C&E Industry News Filter | niwe : IWE Filter

RE ukrn : Ukraine | asiaz : Asia | easiaz : Eastern Asia | eurz : Europe | russ : Russia | uk : United Kingdom | ussrz : CIS Countries | apacz : Asia Pacific | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcos : Developing Economies | eurz : Central/Eastern Europe | weurz : Western Europe

IPD SYND

IPC G/FED

PUB Dow Jones & Company, Inc.

HD **Ukraine, Russia** Rearm on New Front --- Moscow aims to seize rest of eastern Donbas region, utilize its edge in conventional fighting

BY By Yaroslav Trofimov

WC 1,071 words

PD 11 April 2022

SN The Wall Street Journal

SC J

PG A1

LA English

CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

Ukraine and Russia poured reinforcements into eastern Ukraine this weekend, preparing for what is likely to become the war's biggest battles as refugees continued to flee the looming Russian assault.

Russia's main objective now is to seize the parts of the eastern Donbas region not yet controlled by Moscow. Unlike the first phase of the six-week-old conflict, that shift is forcing Ukraine into fighting conventional battles involving tanks, artillery and aircraft on flat, often-barren terrain that allows Russia to leverage its superiority in military equipment.

TD

Fresh Russian tank and artillery units, as well as forces withdrawn from areas around the capital Kyiv, began arriving in recent days to staging grounds for the offensive north of the Ukrainian city of Izyum, according to footage shown on Russian military television. Ukraine, too, started moving toward Donbas combat units from areas of northern Ukraine that it recovered after Russian troops retreated.

Skirmishes along the contact line in Donbas and nearby regions continue daily, with Russian forces trying to push south of Izyum. The timing of a major campaign, Western and Ukrainian officials said, is up to Moscow, which might press the offensive imminently with available forces, or wait a few weeks to reconstitute units that suffered losses in northern Ukraine.

Ukrainian officials said Moscow's aims likely go far beyond seizing the Donbas region, and that President Vladimir Putin of Russia seeks to destroy the best Ukrainian units in the battle to then try again to seize the rest of the country, including Kyiv.

President Volodymyr Zelensky of Ukraine called for urgent assistance ahead of this new round of the conflict, warning that Moscow hasn't given up on its aspirations to subjugate Ukraine. "Russia can still afford to live in illusions, gathering new armor and new troops on our soil. And that means that we need even more sanctions, and even more weapons for our state," he said in a late Saturday video address.

Attempting to disrupt the Ukrainian redeployment, Russia has said its forces carried out a series of airstrikes on Ukrainian railway hubs. Some 57 people died in Friday's Russian missile attack on the railway station in the Donbas city of Kramatorsk while it was packed with civilians trying to board evacuation trains toward the relative safety of western Ukraine, Ukrainian authorities said. Moscow denied it carried out that particular strike.

Authorities over the weekend urged all civilians in Ukrainian-controlled parts of Donetsk and Luhansk regions -- which comprise Donbas -- and two districts of the Kharkiv region to leave immediately.

Russia launched several additional missile strikes on the Dnipropetrovsk region just west of Donbas on Sunday, destroying the airport terminal and another infrastructure facility in the city of Dnipro and an industrial facility in the city of Pavlohrad, the regional administration said.

Russia's Defense Ministry said it targeted Dnipro with Kalibr missiles from a Black Sea fleet frigate and that its missiles also struck the southern Ukrainian region of Mykolayiv and a military airfield near Kharkiv, where it said it destroyed an S-300 anti-aircraft missile system. Those claims couldn't be

confirmed independently. Dnipro -- one of Ukraine's biggest cities -- is the logistical hub for Ukrainian military operations in Donbas.

Russia's initial attempt to seize Kyiv and other cities in northern Ukraine collapsed in late March, in part because nimble Ukrainian units attacked Russian tanks and armored vehicles using guerrilla tactics. Light, portable missiles supplied by the U.S. and its European allies, such as the Javelin and the NLAW, played a big role in that success, as did Turkish-made Bayraktar TB2 armed drones.

Many Russian battalion tactical groups that withdrew from northern Ukraine were battered so badly that they won't be able to redeploy to the Donbas front anytime soon, Ukrainian and Western officials said. "We've seen indications on some units that are, literally, for all intents and purposes, eradicated," a senior Pentagon official said. Russia, he said, is trying to mobilize some 60,000 reservists to fill the gap.

The tactical situation is more advantageous for Russia on the Donbas front. Russian supply lines are shorter, and the more concentrated area of operations allows Russia to more effectively use air support, Ukrainian and Western military officials said.

This different type of warfare, with large formations facing each other instead of small-unit strikes, is a major reason why Kyiv said it urgently needs heavy weapons, such as artillery, tanks and anti-aircraft batteries that most Western allies have been reluctant to supply.

Ukraine managed to win the first round of the war because of close-contact infantry engagements, Ukraine Defense Minister Oleksii Reznikov said. But now Russia has changed its tactics and is relying more on long-range artillery, aviation and missile strikes -- weapons Ukraine has limited ability to counter, he said.

"The war is entering the phase of competition for resources, which are almost unlimited in Russia in comparison to Ukraine," Mr. Reznikov said. "To win in this war, we need a different kind of assistance from what we received before."

Western leaders are stepping up support.

U.K. Prime Minister Boris Johnson, who took a walk around Kyiv with Mr. Zelensky on Saturday, announced new military and other assistance that includes 120 armored vehicles and new antiship missile systems. That is on top of Friday's package of Starstreak short-range anti-aircraft missiles, 800 more antitank missiles and high-tech munitions that loiter above targets for precision strikes.

"This war will be won on the battlefield," European Union foreign-policy chief Josep Borrell tweeted on Saturday. He traveled to Kyiv on Friday, along with the head of the European Commission, which afterward said the EU is proposing 500 million euros, equivalent to \$544 million, in new support for Ukraine's military, on top of 1 billion euros previously allocated for weapons.

The U.S. made public \$400 million in additional military aid to Ukraine in April, of a total of \$1.4 billion since the war started Feb. 24. Washington is supplying Javelins, Stinger missiles, hundreds of Switchblade loitering drones and counter-artillery radars -- but, so far, no heavy weapons requested by Kyiv.

Max Colchester, James Marson and Gordon Lubold contributed to this article.

[License this article from Dow Jones Reprint Service](#)

IN iaer : Aerospace/Defense | iindstrls : Industrial Goods

NS gdef : Armed Forces | gvio : Military Action | npag : Page One Stories | regrad : Suggested Reading Aerospace/Defense | gcat : Political/General News | gcns : National/Public Security | grisk : Risk News | ncat : Content Types | redit : Selection of Top Stories/Trends/Analysis | reqr : Suggested Reading Industry News

RE ukrn : Ukraine | russ : Russia | donsk : Donbas | usa : United States | asiaz : Asia | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcos : Developing Economies | eurz : Central/Eastern Europe | eurz : Europe | namz : North America | ussrz : CIS Countries

IPC IGV

PUB Dow Jones & Company, Inc.

AN Document J000000020220411ei4b0001j

HD **The Ukraine Crisis: EU Looks for a Way to Cut Russian Oil --- Disagreements among member nations make decision at Monday meeting unlikely**

BY By Laurence Norman

WC 660 words

PD 11 April 2022

SN The Wall Street Journal

SC J

PG A6

LA English

CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

European governments, having decided last week to phase out purchases of coal from Russia, are set to begin a debate this week about a more ambitious target: weaning themselves off Russian oil.

European Union officials in Brussels are seeking to make oil the focus of their next set of economic measures against Russia over its invasion of Ukraine.

TD

The debate isn't likely to be resolved soon. Germany is resisting the idea of an oil ban, and EU officials are wary of acting during the French presidential election, whose first round took place Sunday. Meanwhile, Hungary has become more entrenched in its opposition, diplomats say.

On Friday, while meeting Ukrainian President Volodymyr Zelensky in Kyiv, EU foreign policy chief Josep Borrell said he would put oil sanctions on the agenda when EU foreign ministers meet in Luxembourg on Monday.

"The sanctions that we have agreed on are. . .creating a big damage to the Russian economy but more has to follow," Mr. Borrell said in Kyiv.

Any swift decisions on oil sanctions face major political obstacles. With EU member states split on the issue, Brussels officials say there will be no decisions Monday and even the presentation of specific proposals could be weeks away.

Germany, Europe's biggest economy, is leading the opposition to sanctioning imports of Russian oil or gas, and has resisted calls from Eastern European countries such as Poland for stronger energy sanctions.

EU officials are studying ideas including a phased-in oil embargo, a tariff on Russian oil imports to reduce demand and forcing some part of the oil payments into an escrow account that Russia could only access to make certain payments, according to officials.

The EU has already announced plans to reduce its Russian energy imports over time. But pressure for faster energy sanctions is rising as Ukrainian officials accuse Russian forces of atrocities and the civilian death toll from the Russian invasion mounts.

On Friday the EU adopted its fifth set of economic sanctions against Russia since President Vladimir Putin's invasion of Ukraine began on Feb. 24. The package includes a phasing out of EU purchases of Russian coal by August.

However, the EU has yet to impose sanctions on its two biggest commercial dealings with Russia -- the purchase of oil and gas. Those exports have cushioned the impact of other sanctions on Russia's economy and provide a vital source of revenue for the Russian government's budget, including its military spending.

Russia, the world's third largest oil producer, provided about a quarter of the EU's oil imports in the first half of 2021, according to the EU's statistics agency. That accounted for roughly half Russia's oil exports.

Many EU countries, including Germany and Italy, are even more reliant on Russian gas, which is why sanctions on oil are seen as more feasible.

Germany has been particularly reluctant to risk harm to its industries by sanctioning Russian oil or gas, despite mounting international criticism of Berlin's stance. Germany, which also insisted on a slower timetable for stopping Russian coal imports than many other EU countries wanted, has said it could halve its Russian oil imports by this summer, but that it would need until the end of this year to stop them entirely.

France's presidential election could slow any detailed plans until after the final round on April 24. President Emmanuel Macron has expressed support for an oil embargo, but his finance minister, Bruno Lemaire, has said it would take several weeks to reach agreement within the EU about how to proceed.

Opposition to an oil embargo partly reflects governments' fear of a voter backlash against high energy prices. Prices of fuel and electricity were already rising before Russia's attack on Ukraine.

[License this article from Dow Jones Reprint Service](#)

CO euruno : European Union

IN i1 : Energy | ifosfl : Fossil Fuels | i111 : Coal Mining | imet : Mining/Quarrying | ibasicm : Basic Materials/Resources

NS gesanc : International Sanctions | gdip : International Relations | gcat : Political/General News | gpol : Domestic Politics | reqrmm : Suggested Reading Metals/Mining | gpir : Politics/International Relations | redit : Selection of Top Stories/Trends/Analysis | reqr : Suggested Reading Industry News

RE russ : Russia | ukrn : Ukraine | eecz : European Union Countries | eurz : Europe | fra : France | hung : Hungary | asiaz : Asia | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe | medz : Mediterranean | ussrz : CIS Countries | weurz : Western Europe

IPC NRG

PUB Dow Jones & Company, Inc.

AN Document J000000020220411ei4b0001c

HD The Ukraine Crisis: Brazil Enclave Welcomes Refugees

BY By Samantha Pearson and Luciana Magalhaes

WC 763 words

PD 11 April 2022

SN The Wall Street Journal

SC J

PG A7

LA English

CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

PRUDENTOPOLIS, Brazil -- Ever since Russian President Vladimir Putin ordered the invasion of Ukraine, this sleepy farming town some 7,000 miles away in southern Brazil has been gripped by a sense of both horror and nervous excitement.

Nicknamed "Little Ukraine," Prudentopolis prides itself on being one of the most Ukrainian towns in Latin America, perhaps even more Ukrainian than Ukraine itself, locals joke.

TD

Among soybean farms rise onion-domed wooden churches, where congregations in traditional embroidered shirts pray in a form of Ukrainian that resembles the dialect spoken by their ancestors, immigrants who arrived in Brazil as long ago as the 1890s.

But things are about to change: The refugees are coming. Prudentopolis and surrounding towns are bracing to welcome up to hundreds of 21st-century Ukrainians in coming weeks as Russia's attack on Ukraine forces people to flee to distant corners of the globe.

"It pains my heart to see them suffering," said Eugenia Michalovski, 54, who looks after a Ukrainian cemetery in the town, dotted with pink flowers. "They're our people."

Like three-quarters of the town's 53,000 residents, Ms. Michalovski speaks Ukrainian. She also prays and sings in Ukrainian, listens to Ukrainian music, cooks Ukrainian food -- and has never set foot in Ukraine.

Rafa Borges, a local evangelical pastor who helped organize the transfer of one of the first groups of refugees to the region recently, said he hopes the new arrivals will adapt more easily here and, in turn, strengthen the local Ukrainian community.

"Their arrival has brought enormous joy," said Mr. Borges, whose Comunidade Vida congregation, in the nearby town of Guarapuava, is part of a world-wide group of churches, the Global Kingdom Partnership Network. "Many people's great-grandparents fled here during World War II and now they are doing the same thing to help the refugees."

But an hour away at one of the church's community centers, where the first group of 28 refugees were recently completing a government-mandated Covid-19 quarantine, the Ukrainians appeared oblivious to the cultural significance of their arrival. They said they were just happy to be alive.

Maryna Hashlova, 35, a teacher from eastern Ukraine, stopped to ponder whether she recognized anything from her native country while making the daylong bus trip south from Sao Paulo's airport.

"McDonald's! Yes, we have McDonald's in Ukraine too!"

As a gaggle of young boys crowded around an Xbox installed in the corner of the hall, their mothers tried to explain to the church leaders the items they needed. Many left their homes in a hurry during heavy bombing with nothing but the clothes they were wearing.

The first night the group hardly slept.

"It turned out they thought there could be panthers and crocodiles outside," said one of the pastors. The leaders sat them down the next day to explain that the Amazon rainforest was very far away -- about 1,200 miles -- and stressed again that this region is known for being just like Ukraine.

Most of the group -- 16 children, 10 women and two men -- had never thought about coming to Brazil before the war. "Rio de Janeiro and Carnival" is the extent of what she had heard about Latin America's biggest country, said Ms. Hashlova, who came with her son Nazar, 14, and daughter Arina, 8, a budding gymnast. Like most men, her husband was required to stay to help with the war effort.

When Ms. Hashlova left her apartment in the northeastern city of Kharkiv at the end of February, she didn't intend to emigrate. But when the bombing got closer, the family grabbed a few belongings and headed to her parents' house in Kremenchuk -- normally a three-hour drive west but a trip that took 13 hours on jammed roads.

After being awakened several times a night by the sound of air raid sirens that sent the family scurrying underground, Ms. Hashlova decided to head to Poland. It was there that her church told her the group Global Kingdom could pay their way to South America.

"The hardest thing was leaving my husband," said Ms. Hashlova.

After hearing rumors that Mr. Putin's troops could even invade Warsaw, she said she felt safer in Brazil. It also helped convince her children that they were on some exotic adventure, rather than war refugees.

"We have a lot of affection for Europe here in this region," said Mr. Borges.

[License this article from Dow Jones Reprint Service](#)

NS gimm : Human Migration | gcat : Political/General News | gpir : Politics/International Relations
RE ukrn : Ukraine | braz : Brazil | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe | eurz : Europe | lamz : Latin America | samz : South America
IPC NND
PUB Dow Jones & Company, Inc.
AN Document J000000020220411ei4b00013

HD The Ukraine Crisis: Aid-Delivery Truckers Drive Into Danger

BY By Paul Berger

WC 816 words

PD 11 April 2022

SN The Wall Street Journal

SC J

PG A8

LA English

CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

Serhiy Berestencko climbed into a truck outside a warehouse in Kyiv bound for Dnipro, about 300 miles to the southeast, carrying medical supplies to hospitals close to the front lines of Russia's war on Ukraine.

"There are two main problems," Mr. Berestencko said in a telephone interview. "The first problem is you don't know if you will reach your destination. And the second problem is you do not know in what condition you will return."

TD

Truckers like Mr. Berestencko, who is 48 years old, have become pivotal to Ukraine's efforts to distribute humanitarian aid and to keep the economy alive by transporting goods from factories and farms that are trying to keep operating through the Russian onslaught.

Trucking firms in Ukraine say they are increasingly strained by wartime difficulties, especially growing fuel shortages, that threaten their ability to operate as drivers navigate roads that run close to rocket attacks, artillery shelling and airstrikes. Recent Russian missile attacks on an oil refinery and several fuel depots have reduced Ukraine's already limited diesel supplies and raised fresh challenges for truckers delivering food, medicines and cargo.

Mr. Berestencko's boss, Oleksandr Poliukhovych, said that drivers returning from the European Union were recently told to fill their gas tanks in Poland and drive to Lviv, in western Ukraine, where the remaining fuel will be siphoned and used to fill trucks making deliveries across central and eastern parts of the country.

Messrs. Poliukhovych and Berestencko work for DFDS, a Denmark-based freight and logistics company that before the war mostly moved metal parts, furniture and textiles between Scandinavia and Ukraine. Since the Feb. 24 invasion, the firm has mostly hauled medical and humanitarian aid.

The firm has at least 60 drivers on the road at any one time making international and domestic deliveries of aid. As of the week of April 5, the drivers had delivered 800 shipments of medical supplies to hospitals or medical distribution points. Mr. Poliukhovych said Ukraine's government covers the cost of fuel plus between \$20 to \$40 per load for the driver.

He said the plan to siphon diesel from inbound trucks should help the company get through the coming days. After that, he said local or national authorities must open whatever fuel reserves remain or they will need to find new ways of importing diesel.

It couldn't be determined how much fuel Ukraine has left in its reserves.

Before the war, Ukraine imported more than 70% of its refined petroleum, including gasoline, diesel and heating oil, from Russia and its ally, Belarus, said Hendrik Mahlkow, a researcher at the Kiel Institute for the World Economy in Germany.

Most of Ukraine's crude oil came from Azerbaijan through the Port of Odessa and was refined at a facility in Kremenchuk, according to Kristine Petrosyan, an analyst at the International Energy Agency. Russia struck that refinery with missiles on Apr. 2 and has blockaded Ukraine's major seaports, including Odessa, since the start of the war, leaving roads and rails as the only routes for fuel imports.

Artem Kuyun, a fuel specialist for Consulting Group A-95, in Kyiv, said Ukraine's diesel supplies are critical, but he expects the country to boost supplies by rail in the coming weeks.

The seaport blockade has increased the importance of trucking, which now hauls goods that previously moved by ocean. Freight companies say that cargoes that used to enter Ukraine via the Black Sea are now being shipped to Poland and Romania and then trucked to Ukraine.

Oleksandr Yakovenko, who runs EnlivUA, a freight forwarder based in Odessa, said elevated rates for international exports help him afford to carry humanitarian aid, often just for the cost of fuel.

One challenge is that firms won't insure cargo bound for Ukraine. When his drivers pick up containers at European ports, the firm must pay a deposit of about \$5,000, on average, for each shipping container. Some of Mr. Yakovenko's customers can afford the deposit, he said, but the forwarder shares or covers the cost for other customers.

EnlivUA's revenues are just enough to pay the salaries of about 220 workers and to continue to make deliveries across Ukraine, including to cities such as Mykolaiv in the southeast, which have faced regular rocket attacks. "I am very proud of our drivers because most of them are not afraid to drive east," he said.

Mr. Berestenko, the DFDS driver, said Ukraine's roads are largely empty apart from military vehicles and some civilian cars. At night, he parks outside towns and cities, sleeping close to Ukrainian checkpoints where he can hear the shelling and airstrikes. "You cannot explain the feeling with normal words," he said. "It is just something you feel inside you."

[License this article from Dow Jones Reprint Service](#)

IN i723 : Trucking | itsp : Transportation/Logistics | icargo : Freight Transport/Logistics | irailtr : Land Transport

NS gtrans : Transport | gvio : Military Action | reqrts : Suggested Reading Transportation/Shipping | gcat : Political/General News | gcns : National/Public Security | grisk : Risk News | redit : Selection of Top Stories/Trends/Analysis | reqr : Suggested Reading Industry News

RE ukrn : Ukraine | russ : Russia | asiaz : Asia | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe | eurz : Europe | ussrz : CIS Countries

IPC NND

PUB Dow Jones & Company, Inc.

AN Document J000000020220411ei4b00012

HD Use Seized Russian Assets to Defend Ukraine

BY By Adrian Karatnycky

WC 671 words

PD 11 April 2022

SN The Wall Street Journal

SC J

PG A17

LA English

CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

As Russia began its war against Ukraine in late February, the central banks of the U.S., Japan, U.K., European Union and others froze more than \$300 billion of Russia's foreign-exchange reserves. These unprecedented actions helped undermine the ruble, which has since recovered due to reduced demand for hard currency resulting from the isolation of the Russian economy.

TD

Regrettably, these and other important Western sanctions have done little to restrain Russian aggression. Indeed, Russia's brutal war against Ukraine has resulted in widespread war crimes, the deliberate destruction and depopulation of Ukrainian cities, the displacement of some 11 million Ukrainians from their homes, and the deaths of many thousand Ukrainian civilians. As a result, the West recently has intensified its pressure on Moscow and is seeking new ways to compel Moscow to desist. In this context, Russia's massive hard-currency reserves now frozen in Western accounts are a crucial asset that can be used to protect Ukraine and its sovereignty.

These frozen assets should be confiscated and given to Ukraine to finance its defense, sustain its economy, provide government services, and care for internally displaced and homeless Ukrainians. When peace comes, the remaining assets could be used to rebuild Ukraine's housing and infrastructure.

The U.S. and its allies also should confiscate the assets of Russia's oligarchs and give them to Ukraine. Such immediate use of these vast Russian funds would free Western governments to devote their own aid effort to the prodigious task of assisting the nearly five million refugees, mainly women, children and elderly, who have fled Ukraine for Central and Western Europe.

The confiscation and use of Russian assets would serve as a clear signal to Russia's citizens and its ruling elite that they will be expected to pay for Ukraine's postwar recovery. It is important that the West make clear that a settled peace with Ukraine, Russia's reversion to pre-Feb. 24 borders, the payment of reparations to finance Ukraine's rebuilding, and restitution for the losses suffered by the Ukrainian state and its citizens are the minimal preconditions for Russia's partial reintegration into the global economy. The Russian people must be made to understand not only the costs of their country's brutal aggression, but that there is a pathway for Russia toward normalization of relations.

The use of confiscated state and oligarchic assets would be an unprecedented step, but Russia's war of aggression, with its deliberate focus on civilian targets, is an unprecedented event in post-World War II Europe.

Arming Ukraine and eventually assisting its rebuilding with Russian reserves also would remove financial pressure from America's Western allies. The cost of supporting wartime Ukraine, its refugees and its eventual recovery will be high. And though there is strong public support for assisting Ukraine, over time Western governments might be reluctant to foot the bill for Ukraine's vast needs as it rebuilds.

Transferring Russian cash to Ukraine would require American leadership. The U.S., U.K., Canada and perhaps Japan are most likely to endorse such an initiative. But countries like Germany and France likely would require significant persuasion. This means that the Biden administration would need to take the first step. And if the administration proves reluctant, the idea would likely resonate among U.S.

lawmakers and voters. However, it is not only American taxpayers who likely would salute such an initiative, it would likely find broad-based public approval throughout the West.

Most important, a quick decision to bolster Ukraine with seized Russian assets would strengthen Ukraine's war effort and economy and boost Ukrainian morale. It is the next logical step in the effort to pressure Vladimir Putin into a settlement that ensures Ukraine's sovereignty.

Mr. Karatnycky is a senior fellow at the Atlantic Council. He is writing a history of the rise of the modern Ukrainian state and nation.

[License this article from Dow Jones Reprint Service](#)

NS gdip : International Relations | gvio : Military Action | mcat : Commodity/Financial Market News | nedc : Commentaries/Opinions | gcat : Political/General News | gcns : National/Public Security | gpir : Politics/International Relations | grisk : Risk News | ncat : Content Types | nfact : Factiva Filters | nfce : C&E Exclusion Filter | nfcpx : C&E Executive News Filter

RE russ : Russia | ukrn : Ukraine | eurz : Europe | uk : United Kingdom | usa : United States | asiaz : Asia | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcos : Developing Economies | eeurz : Central/Eastern Europe | namz : North America | ussrz : CIS Countries | weurz : Western Europe

IPC IGV

PUB Dow Jones & Company, Inc.

AN Document J000000020220411ei4b0000n

SE Letters to the Editor

HD If **Russia** Wins, Good Luck

WC 67 words

PD 11 April 2022

SN The Wall Street Journal

SC J

PG A16

LA English

CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

Your editorial "The Consequences of War Crimes" (April 5) suggests holding Russian officers responsible. Threatening action on officers and generals who commit war crimes only works if you win. If you lose or end up in a standoff, these are the people with whom you negotiate.

Doug Deaver

TD

Aptos, Calif.

[License this article from Dow Jones Reprint Service](#)

NS gvio : Military Action | nlet : Letters | gcat : Political/General News | gcns : National/Public Security | grisk : Risk News | ncat : Content Types | nfact : Factiva Filters | nfce : C&E Exclusion Filter | niwe : IWE Filter | nrgn : Routine General News

RE russ : Russia | asiaz : Asia | bric : BRICS Countries | devgcoz : Emerging Market Countries | dypcoz : Developing Economies | eeurz : Central/Eastern Europe | eurz : Europe | ussrz : CIS Countries

IPC IGV

PUB Dow Jones & Company, Inc.

AN Document J000000020220411ei4b0000h

HD **Europe Embraces A New Agenda. Here's How to Play It. --- The continent has scrambled to slash its energy exposure to **Russia** and amp up defense spending. Here are six European stocks that could profit.**

BY By Callum Keown

WC 1,467 words

PD 11 April 2022

SN Barron's

SC B

PG 14

LA English

CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

Russia's invasion of Ukraine surprised Europe and the world. But as the war grinds beyond the six-week mark, one thing is clear: Europe will never be the same.

Before the invasion, Europe had been proceeding at a, well, European pace. The continent was changing, particularly when it came to energy, but the economy was set to grow again after a brief energy-induced hiccup, and nothing seemed too pressing.

TD

Besides, trying to get 27 countries to agree on anything takes time, and the European Union was for years perfectly willing to get nearly half its natural gas from Russia, while making long-term plans to transition to renewable sources. Defense spending was barely on the agenda, unless the topic was Germany's lack of it.

The invasion triggered a dramatic shift. Europe suddenly realized it needed to become energy-independent—and quickly. The outlook for economic growth dimmed dramatically, as countries scrambled to hike military spending as if their lives depended on it. Change, however, won't be easy, or cheap. There's plenty of pain ahead, but also the kind of opportunities that emerge when you need to map out a new future.

Europe's problems begin with energy. In 2021, Russia provided 45% of Europe's natural gas imports, according to the International Energy Agency. In Germany, Europe's largest economy, that figure was 55%.

Going cold turkey isn't really possible; such a move would trigger a recession, German Chancellor Olaf Scholz warned last month, though his country has cut back 40% since the war began.

Europe might not have a choice. The Old World needs to wean itself off Russian oil, but the best the European Union can muster is a target to reduce Russian gas imports by two-thirds by the end of the year. European Commission President Ursula von der Leyen said it could phase out dependency by 2027. But Russia has already threatened to cut off supplies unless countries pay in rubles, forcing Germany to begin planning for emergency gas rationing.

Even Europe's limited steps are having an impact. Before the war, the continent, like the U.S., had inflation issues. The invasion exacerbated those problems. Brent crude has spiked 12.5%, to \$107.46 a barrel, while natural gas now costs €107.18 per megawatt hour, more than five times the equivalent price in the U.S. As a result, inflation in Europe's largest economies—Germany, France, the U.K., Spain, and Italy—hit multidecade highs in March, as energy prices soared and the euro zone's consumer-price index jumped by 7.5%. That's led BofA's Securities global research team to conclude that Europe's "low-income consumers could be the big losers."

It's been even worse for manufacturers. Euro-zone industrial producer prices rose in February to an all-time high, up 31.4% over the past year, according to data released on Wednesday. Producer prices rising faster than consumer prices suggests that companies are struggling to pass on higher costs to customers—and that could mean a serious hit to profitability, says Gavekal Research analyst Nick Andrews.

That risk, however, isn't reflected in valuations of European stocks. The Stoxx Europe 600 trades at 14.1 times 12 month-forward earnings, only a touch lower than the 14.2 the benchmark index traded at before the invasion. "Given the deterioration in the growth outlook and the rise in inflation, this suggests there are further falls to come," Andrews says. "Investors should remain defensive."

That's especially true if Europe tips into recession. The EU's commissioner for economics and taxation, Paolo Gentiloni, believes that won't happen, but expects a growth slowdown for the 19 countries in the euro area. And the German government's Council of Economic Advisers warns of a "substantial" recession risk for the country.

In a scenario in which the conflict in Ukraine becomes protracted and Western nations increase sanctions to the point of shutting down Russian oil and gas exports, McKinsey sees the euro zone tipping into recession in 2022 and 2023. That would delay the continent's recovery from the pandemic to 2024, at which point employment levels would regain the ground lost since the pandemic began, and growth would return to prepandemic levels.

But all is not lost for investors. The biggest opportunity might be among European energy companies. Europe is taking a two-pronged approach to its energy needs. First, the EU is diversifying gas supplies with more liquefied natural gas, or LNG, and pipeline imports from non-Russian suppliers, while using larger volumes of biomethane and renewable hydrogen production. Second, it plans to increase renewables and electrification.

British energy giant Shell (ticker: SHEL) and France's TotalEnergies (TTE) will be at the forefront of these efforts. Both have started pivoting toward a renewable energy future, says Zach Olson, director of investment research at Drum Hill Capital, while maintaining large oil and gas businesses. "These businesses will likely help in some ways to wean [Europe] off Russian oil and gas sources, but [they are also] meeting those goals for adding renewables to the portfolio," he says.

Shell exited Russia this past week, and will take as much as \$5 billion writedown.

Both stocks are cheap. Total trades at just 4.8 times projected 2022 earnings and Shell at 6.4 times, compared with a sector average of 8.4. Shell, in particular, looks attractive, according to BofA Securities analyst Christopher Kuplent. It has about a quarter share of the world's LNG market and will benefit from higher oil and gas prices, as well as Europe's efforts to reduce reliance on Russian fossil fuels. "Shell is the world's leading LNG supplier, with above-average sensitivity to tighter-for-longer LNG markets resulting from Europe's quest for energy independence," he adds.

With Germany aiming to free itself from dependence on Russian energy, the country's biggest power supplier, RWE (RWE.Germany) may be worth a look. The company is the world's second-largest offshore wind-power developer and third-largest provider of renewable electricity across Europe. RWE is a favorite of BofA analyst Peter Bisztyga, who says it is "positioned to be a key beneficiary of Germany and the EU's quest for energy dependence from Russia," and could trade as high as €55 (\$59.79), 34% above Wednesday's \$41.08 close.

Citi analyst Piotr Dzieciolowski, who has a €45 price target, agrees. "The current geopolitical conflict may provide tailwinds to RWE in the near term through merchant power prices and in the long run by accelerated renewable expansion and also its ability to provide security of supply," he says.

Energy isn't the only area Europe has been forced to re-evaluate. Defense spending has become a priority, as nations there try to figure out how to defend themselves from a belligerent Russia. Germany announced a €100 billion fund to ramp up military spending in 2022, just days after the invasion began. More significantly, the country will boost military outlays to more than 2% of GDP. A number of countries, including Italy, Sweden, the Netherlands, Norway, and Poland have also hiked spending. The increases are for the long term and won't be unwound should a peaceful resolution be found.

German defense company Hensoldt (HAG.Germany) is one of J.P. Morgan's top picks for the sector. The thesis is a simple one. "HAG is Germany's national champion in defense electronics and a pure play on defense and security," wrote the bank's analysts. "It will be a major beneficiary of Germany's decision to increase its military spending to 2% of GDP." While Hensoldt's shares have climbed 107% this year, they still trade at just 17 times forward earnings, a 20% discount to the sector average.

French aerospace company Thales (HO.France), at 16 times forward earnings, is even cheaper. Jefferies analyst Chloe Lemarie, who has a Buy rating on the stock, says the company is set for growth, driven by both its defense activities and a civil aerospace recovery. Further increases to French military spending offer potential upside. In fact, the entire sector is worth a look, given the huge defense hikes expected across Europe. Airbus (AIR.France), Boeing's (BA) major rival, gets around 20% of its revenue from its defense and space unit and should benefit, too.

In Europe, thanks to Russia, defense might suddenly have become the place to be.

Write to Callum Keown at callum.keown@dowjones.com

CO rwe : RWE AG

IN i1 : Energy | i13 : Crude Oil/Natural Gas Upstream Operations | iaer : Aerospace/Defense | ideo : Defense Equipment/Products | iindstrls : Industrial Goods | imulti : Multiutilities | iutil : Utilities | ifosfl : Fossil Fuels

NS ecat : Economic News | c151 : Earnings | gdef : Armed Forces | gybod : Government Bodies | gvio : Military Action | npag : Page One Stories | c15 : Financial Performance | ccat : Corporate/Industrial News | gcat : Political/General News | gcns : National/Public Security | gpir : Politics/International Relations | gppl : Domestic Politics | grisk : Risk News | ncat : Content Types | nfact : Factiva Filters | nfcpin : C&E Industry News Filter

RE russ : Russia | eurz : Europe | gfr : Germany | asiaz : Asia | easiaz : Eastern Asia | eecz : European Union Countries | uk : United Kingdom | ukrn : Ukraine | ussrz : CIS Countries | weurz : Western Europe | apacz : Asia Pacific | bric : BRICS Countries | dach : DACH Countries | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe

IPD Barrons.com

IPC 5UH.XE

PUB Dow Jones & Company, Inc.

AN Document B000000020220408ei4b000gp

THE WALL STREET JOURNAL.

CLM World News
SE World
HD **Fleeing Putin, Thousands of Educated Russians Are Moving Abroad; Young professionals, often working in tech, have left the country after the [Ukraine](#) invasion: 'I can't live in a country that goes to war with its neighbors.'**
BY By Georgi Kantchev, Evan Gershkovich and Yuliya Chernova | Photographs by Yulia Grigoryants for The Wall Street Journal
WC 1,584 words
PD 10 April 2022
ET 15:00
SN The Wall Street Journal Online
SC WSJO
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

Hundreds of thousands of professional workers, many of them young, have left Russia since its [invasion of Ukraine](#), accelerating an exodus of business talent and further threatening an economy [targeted by Western sanctions](#).

Those leaving the country include tech workers, scientists, bankers and doctors, according to surveys, economists and interviews with emigrants. They are departing for countries including Georgia, Armenia and Turkey. More are expected to follow.

TD

A mid-March survey by OK Russians, a nonprofit helping people leave the country, estimated that around 300,000 workers had departed since the war started in late February. While precise counts of the number of people leaving Russia aren't available, some economists have reached similar conclusions about the scale of the outflow. Around 500,000 people left Russia in 2020, according to Rosstat, Russia's statistics agency.

"The people who are either leaving or planning to leave are highly educated and generally young," said Elina Ribakova, deputy chief economist at the Institute of International Finance. "This is your most productive part of the labor force that is disappearing."

The European Bank for Reconstruction and Development, a top regional development bank, expects the Russian economy to [contract 10% this year](#).

It added that people leaving Russia, coupled with reduced investment and trade, would result in lower long-term productivity growth. [Spending on information technology](#) is expected to drop sharply.

While Russia has encouraged [dissenters to leave](#), it has also acted to stem the outflow of professional workers. President Vladimir Putin signed in March a decree granting a waiver from military conscription to people employed in the tech sector. Russian authorities are also offering tax breaks, cheaper loans and preferential mortgages to entice tech workers to stay.

"Of course, this mobility [of workers] remains and may even accelerate, but the government has already taken measures," Kremlin spokesman Dmitry Peskov said recently.

The outflow of workers represents a fraction of Russia's 145 million people. Mr. Putin's [approval rating in Russia](#) has risen since the Ukraine invasion was launched Feb. 24—to 83% in March from 71% in the prior month—according to Levada Center, an independent Russian pollster. Levada has also found much higher support for the war among older respondents than younger Russians.

The tech industry, until recently one of the fastest-growing sectors in the Russian economy, has already lost between 50,000 and 70,000 workers, according to data presented by the Russian Association for Electronic Communications during a March 22 committee hearing at the State Duma, the lower house of Parliament. The group said it expects as many as 100,000 more to follow in April.

The Russian tech industry employs around 1.3 million people, or about 1.7% of the country's workforce, according to the U.S. International Trade Administration's October 2021 Russia overview.

Many people leaving are taking their businesses with them. Some top managers of state-owned and private companies have departed in recent weeks.

Sasha Kazilo, co-founder of the startup Funexpected, which makes apps to help preschoolers learn math, recently left Russia for Paris. She took her family and business with her. Around 15 developers at the business have already left or are in the process of moving, she added.

When the war started, she said she thought, "It was all a nightmare, and we had to wake up." After her husband, Leonid Rybnikov, was jailed for 13 days for posting antiwar stickers in their neighborhood, they decided it was time to leave. In Paris, they have friends, and her husband has secured a research job.

"Before the war, maybe I was under the illusion that things could change in Russia and we could build our company there," she said. "I can't imagine that anymore."

Andrey Panov said he resigned as deputy chief executive officer of Aeroflot-Russian Airlines PJSC, the state-owned carrier, and left 10 days after the invasion began.

"I decided it was just impossible to work for a state-owned company," he said from Israel, where he is currently based. "The country changed in the matter of one week."

The Russia CEO of the tech company Yandex, Elena Bunina, said in a message on an internal company forum that she left the country for Israel and would be quitting later this month. Two Yandex employees familiar with the matter confirmed the announcement, which was published by Russian media.

"I can't live in a country that goes to war with its neighbors," Ms. Bunina wrote.

Dozens of Yandex workers, particularly programmers, have left Russia and continued to work for the company from other countries, according to several people at the company.

Yandex, the classified-ad site Avito, the commercial bank Tinkoff and the software firm DataArt have collectively flown [more than 1,000 workers](#) to Turkey, according to people familiar with the matter. Yandex said that it offers an opportunity to work remotely and that some employees work from different locations. DataArt said it is exiting Russia and expects several hundred additional employees to leave the country by this summer.

Those who study Russia said the pace at which people are departing hasn't been seen since the 1917 revolution, when millions of the Russian nobility and educated upper-middle classes fled the emerging Communist state. Several million of Russians left after the demise of the Soviet Union in 1991, but did so over several years.

"The initial exodus happened in the matter of weeks—we haven't seen such a concentrated wave of emigration from Russia in more than 100 years," said Konstantin Sonin, a professor at the University of Chicago. He said he regularly receives messages from friends in Russia who have crossed the border.

The post-invasion departures mark a new chapter of an exodus of professionals from Russia over the past decade. Emigration, particularly among the young and well-educated, picked up after Mr. Putin's third term started in 2012 and Western sanctions hit Russia following its [annexation of Crimea](#) from Ukraine in 2014.

OK Russians' surveys found that the average age of those who have left was 32 and that 80% had at least some higher education. Just 3% said they plan to return to Russia in the coming months, and around a third were undecided. They cited opposition to the war, fear of repression and a lack of economic prospects as the main reasons for their departures.

SHARE YOUR THOUGHTS

What will it take for Russia to recover from an exodus of talent? Join the conversation below.

In the first month of the invasion, around 50,000 Russians arrived in Armenia and more than 250 Russian companies relocated there, roughly triple the number of relocating businesses during the same period of 2021, according to Hovsep Patvakanyan, chief executive of the consulting company Invest in Armenia.

President Biden, in a March 26 speech in Warsaw, said the exodus from Russia was "a remarkable brain drain in such a short period of time."

Others still in Russia are waiting for visas, job applications or the school year to end. According to the recruiting-data provider HeadHunter, around 40% of Russian applicants for information-technology jobs are considering moves abroad. A Facebook group called "Time to get out" has about 230,000 members who discuss topics such as finding flights, acquiring documentation and transferring money abroad.

Kirill Rozhkovskiy, a Moscow-based entrepreneur, is planning to leave and build his next startup abroad. He said the Russian marketplace has shrunk, foreign investment has dwindled and access to foreign technology has disappeared. Even the exchange of ideas has become much more limited, he added.

"The only answer is to go to a country that doesn't have all of this," Mr. Rozhkovskiy said.

At the St. Petersburg-based Open Business School, departures have contributed to a drop in enrollment, said Sergey Fedorov, head of the school. Only eight students have registered so far for the private school's first-year M.B.A. course that starts in May. That is down from the usual class of about two-dozen, he said.

"There won't be demand for us," he said. "We had big plans for growth before the war. Now we have to put those to rest."

Those fleeing include some of Russia's top doctors. Alexander Vanyukov, who headed the surgical department at Moscow's Clinical Hospital No. 52, one of the capital's main centers for Covid-19 patients, left Russia for Latvia with his family a week after the war began.

He said he and several other doctors who departed had their doubts about leaving, given their responsibilities to patients and colleagues. But Russian authorities had made the decision for them.

"Smart, honest, decent people are no longer needed there," Dr. Vanyukov said over the phone from Latvia. "In the situation in which Russia finds itself, they are not only not needed, but their presence is counterproductive."

Jared Malsin contributed to this article.

Write to Georgi Kantchev at georgi.kantchev@wsj.com, Evan Gershkovich at evan.gershkovich@wsj.com and Yuliya Chernova at yuliya.chernova@wsj.com

[Fleeing Putin, Thousands of Educated Russians Are Moving Abroad](#)

CO ssjhoi : Federal State Statistics Service of Russia

NS gjob : General Labor Issues | gvexe : Executive Branch | gvio : Military Action | c13 : Regulation/Government Policy | ccat : Corporate/Industrial News | e51 : Trade/External Payments | ecat : Economic News | gesanc : International Sanctions | gimm : Human Migration | gpir : Politics/International Relations | gtrade : Trade Barriers/Restrictions | ncolu : Columns | nsur : Surveys/Polls | gcat : Political/General News | gcns : National/Public Security | gdip : International Relations | gpol : Domestic Politics | grisk : Risk News | gvbod : Government Bodies | ncat : Content Types | nfact : Factiva Filters | nfcpin : C&E Industry News Filter

RE russ : Russia | asiaz : Asia | easiaz : Eastern Asia | eurz : Europe | uk : United Kingdom | ukrn : Ukraine | ussrz : CIS Countries | apacz : Asia Pacific | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eurz : Central/Eastern Europe | weurz : Western Europe

IPD Wires

IPC FB

PUB Dow Jones & Company, Inc.

AN Document WSJO000020220410ei4a0002u

THE WALL STREET JOURNAL.

CLM Review & Outlook (U.S.)
SE Opinion
HD **Emmanuel Macron's French Squeeze; Marine Le Pen**Marine Le Pen's surge raises the stakes for Europe's **Russia** policy.
BY By The Editorial Board
WC 583 words
PD 11 April 2022
ET 03:49
SN The Wall Street Journal Online
SC WSJO
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

Emmanuel Macron expected to have an easy path to re-election as French President, and he campaigned like it. But voters have a way of disrupting complacency, and they sent him a clear warning in Sunday's first election round.

Mr. Macron finished first but too close for comfort in the crowded field, with some 29% of the vote. In two weeks he'll face Marine Le Pen, the right-wing tribune with about 24%, beating Jean-Luc Mélenchon (a French Bernie Sanders) for second and a spot in the April 24 runoff. Mr. Macron's supporters note he improved on his 24% first-round result in 2017, but then he was the outsider.

TD

Ms. Le Pen improved her vote share, too, compared with 21% five years ago. More troubling for Mr. Macron is that polling for a second round has tightened. A [YouGov poll Friday](#) suggested Mr. Macron could win as narrowly as 51% to 49%. Ms. Le Pen enjoys more support among younger voters, beating Mr. Macron in every age group under 55—and by 56% to 44% in the 18-24 cohort.

This is dangerous for an incumbent. Mr. Macron has failed to ignite the sort of dynamism that was supposed to make France an appealing place to be young again. Instead, the French economy continues to underperform, as it did even before the pandemic.

Inflation in particular is a political wild card, running at 5.1% and raising costs of everyday life for the middle class. Overall unemployment is 7.4% and, despite progress during his term, the unemployment rate for those under 25 is 16.4%. Mr. Macron's promises from five years ago, to turn France into a hub of entrepreneurship with a focus on opportunities for younger people, remain only partly fulfilled.

Mr. Macron shifted his focus too quickly to vanity projects that have little to do with the lives of ordinary voters—and sometimes hurt them. After some initial successes with labor-law reform, Mr. Macron derailed his presidency with a tax increase on diesel fuel. This piece of green posturing sparked the yellow-vest protests in late 2018 from which his administration has never fully recovered.

With his domestic reform agenda on ice, Mr. Macron instead turned to matters such as a global tax raid on large American companies. He failed [again](#) this month to sell his European Union peers on that idea. He has also pressed grander plans for the EU, with himself as titular leader, despite popular skepticism on the French right and left.

The runoff stakes will be especially high for Europe's policy toward Russia and the war on Ukraine. Mr. Macron has long fancied himself a Vladimir Putin whisperer, like Angela Merkel in Germany. He has nothing to show for it, but at least he hasn't obstructed the North Atlantic Treaty Organization's aid for Ukraine.

Ms. Le Pen talks as if she thinks Mr. Putin should be a French ally, and she is deeply hostile to NATO. Her economics are a right-wing version of dirigiste government intervention hostile to free trade. But such politicians can prosper in times of economic insecurity and a war in Europe's east. Mr. Macron

will have to fight for a second term, and he can start be renewing his case for revitalizing the French economy.

[Emmanuel Macron's French Squeeze](#)

NS gvexe : Executive Branch | gpir : Politics/International Relations | gpol : Domestic Politics | ncolu : Columns | nedc : Commentaries/Opinions | gcat : Political/General News | gvbod : Government Bodies | ncat : Content Types | nfact : Factiva Filters | nfcpx : C&E Executive News Filter

RE fra : France | asiaz : Asia | easiaz : Eastern Asia | eecz : European Union Countries | eurz : Europe | russ : Russia | ussrz : CIS Countries | weurz : Western Europe | apacz : Asia Pacific | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe | medz : Mediterranean

IPD Opinion |

IPC N/EEC

PUB Dow Jones & Company, Inc.

AN Document WSJO000020220410ei4a002s1

THE WALL STREET JOURNAL.

CLM Commentary (U.S.)
SE Opinion
HD **The Right's [Russia](#) Temptation; Some in the America-first movement mistake Putin for a strong nationalist leader like Donald Trump.**
BY By Jeffrey Scott Shapiro
WC 567 words
PD 11 April 2022
ET 00:29
SN The Wall Street Journal Online
SC WSJO
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

I served in the Trump administration and fiercely defended the former president. During his administration, no dictator dared do anything close to what Vladimir Putin is doing in Ukraine now. But the things some America-first conservatives are now saying about Mr. Putin alarm me.

I noticed this after I condemned Russia's invasion in a group chat with Trump appointees. One replied with a Z, the pro-Russia war symbol. One made a vulgar suggestion that President Volodymyr Zelensky was crooked. Others supported Ukraine, and it was clear our group was splitting into two factions.

TD

That split within the right has emerged publicly as well. "Putin has laid out what he wants in Ukraine—a decent starting point," congressional candidate Joe Kent said March 31, speaking at what was styled an "emergency" [conference](#) called "Up From Chaos." Mr. Kent, who is challenging Rep. Jaime Herrera Beutler (R., Wash.) in a primary, called Mr. Putin's demand that Ukraine cede Donetsk and Luhansk "very reasonable." Helen Andrews, a senior editor for American Conservative magazine said, "Ukraine is a corrupt country. Come and get me."

Also on March 31, Compact magazine released a [declaration](#), signed by 33 people on both the right and left, including former Trump White House aide Michael Anton and journalist Glenn Greenwald. It calls for "de-escalation" and "good-faith" peace talks that acknowledge Russia's "legitimate security needs" and demands that President Biden disavow "regime change" in Moscow.

Other America-firsters have made comments that sound like Russian propaganda. Rep. Marjorie Taylor Greene (R., Ga.) [tweeted](#) that U.S. tax dollars shouldn't be spent on "lethal aid to be given to possible Nazi militias that are torturing innocent people, especially young children and women." Charlie Kirk, president of Turning Point USA, [tweeted](#) that "if you are mindlessly supporting Ukraine . . . you might be cheering for literal Nazis."

Some of these arguments are made in earnest; others perhaps are mere efforts to be edgy. One might think they're harmless, but they potentially influence millions of American conservatives, and Russian state media has republished some of them to push the lie that Ukraine is overrun by Nazis targeting Russian civilians. They also damage the credibility of the America-first movement.

Some of my former colleagues buy into Mr. Putin's false narratives because they mistake him for a Russian Donald Trump—a strong nationalist leader who fights woke ideas. But the war against Ukraine hasn't benefited Russians, and Mr. Putin is a ruthless dictator with contempt for human life, including the lives of Russians. The Russian opposition he represses is "liberal" not in the sense of being leftist but of favoring freedom. His opposition to the North Atlantic Treaty Organization isn't antiglobalist but anti-Western and anti-American.

Still, that so many leading America-firsters are parroting the Kremlin's narrative suggests the movement has taken a dangerous turn. The reasonable goal of reducing military adventurism has regressed

toward extreme isolationism, producing a self-described antiwar movement that preaches peace while callously ignoring war crimes.

Mr. Shapiro is an investigative journalist who has reported on Russian affairs. He served as a senior adviser to the U.S. Agency for Global Media, 2017-21.

[The Right's Russia Temptation](#)

NS gvexe : Executive Branch | gcat : Political/General News | gpir : Politics/International Relations | gpol : Domestic Politics | ncolu : Columns | nedc : Commentaries/Opinions | gvbod : Government Bodies | ncat : Content Types | nfact : Factiva Filters | nfcpx : C&E Executive News Filter

RE russ : Russia | ukrn : Ukraine | asiaz : Asia | easiaz : Eastern Asia | eurz : Europe | namz : North America | uk : United Kingdom | usa : United States | ussrz : CIS Countries | apacz : Asia Pacific | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe | weurz : Western Europe

IPD Opinion |

IPC N/GEN

PUB Dow Jones & Company, Inc.

AN Document WSJO000020220410ei4a00209

SE Daily
HD **U.S. Raises Pressure as [Russia](#) Appoints New General in [Ukraine](#)**
BY Janet H. Cho
WC 899 words
PD 11 April 2022
ET 02:24
SN Barron's Online
SC BON
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

A reported change in Russia's military leadership in Ukraine isn't going to change the nature of the conflict, said national security adviser Jake Sullivan on Sunday, pointing to the "crimes and brutality" being inflicted on Ukrainian citizens.

Russia has appointed Gen. Alexander Dvornikov, a military veteran with a record of brutality against civilians in Syria and other wars, to oversee its invasion of Ukraine, the Associated Press reported, citing a senior U.S. official.

TD

"No appointment of any general can erase the fact that Russia has already faced a strategic failure in Ukraine," Sullivan [told](#) CNN's State of the Union on Sunday. "This general will just be another author of crimes and brutality against Ukrainian civilians."

The change in leadership in Russia's military campaign comes as Western allies continue to put pressure on Russia using sanctions, bans and stern warnings to nations to take a hard line.

On Monday, President Joe Biden will [meet virtually](#) with India's Prime Minister Narendra Modi, whose government so far has taken a neutral stance. India has declined to join the West in supporting United Nations resolutions against Russia's actions in Ukraine.

Biden's meeting with Modi will include a discussion on the consequences of Russia's war on Ukraine and easing its "destabilizing impact on global food supply and commodity markets," White House press secretary Jen Psaki said in a statement on Sunday.

Even before Russia invaded Ukraine in February, the U.S. warned that Russia planned to engage in acts of brutality against civilians. "This is an orchestrated plot from the Kremlin," Sullivan said Sunday.

On Friday, a Russian missile strike at the Kramatorsk railway station in Eastern Ukraine, which was packed with people trying to flee, killed at least 52 civilians, including children. Ukrainian and Western officials have also discovered the "systematic targeting of civilians, the grisly murder of innocent people, the brutality, the depravity," in other parts of Ukraine, Sullivan said.

A missile fragment with lettering that read: "For the children" was found on the ground near that train station, NBC reported. Ukrainian President Volodymyr Zelensky says Ukrainian forces have discovered atrocities in other towns that are even worse than what the Russian forces did in the town of Bucha near Kyiv.

Western allies were rushing more military equipment and aid to Ukraine as the fighting continues.

Ukraine's Minister of Foreign Affairs Dmytro Kuleba [told NBC's](#) Meet the Press that the U.S. has provided heavy air-defense systems and is also helping Ukraine get additional weapons it needs from other countries. "All we need is state-of-the-art weapons of all kinds supplied to us."

Sullivan told NBC that he and Joint Chiefs of Staff Chairman Mark Milley spent two hours on the phone with the chief of the Ukrainian Armed Forces going over all the weapons Ukraine wants, in priority order, and creating a plan to deliver them as quickly as possible. "We will continue to work aggressively

to get Ukraine what it needs to strengthen its hand on the battlefield and to strengthen its hand at the bargaining table," he said.

Dvornikov led Russian forces in Syria, the AP reported, where Russia has waged a devastating military conflict to support President Bashar al-Assad.

Sullivan said the U.S. expects more of the same in Ukraine. "We have already seen it, and we can expect more of it," Sullivan said. "The United States, as I said before, is determined to do all that we can to support the Ukrainians as they resist him and they resist the forces that he commands."

Finland and Sweden are pressing ahead on the possibility of joining the North Atlantic Treaty Organization, a move that would likely both anger Russia and strengthen the current 30-nation alliance.

The topic came up during NATO's recent foreign ministerial meetings, which the foreign ministers from Stockholm and Helsinki both attended, CNN [reported](#). Public opinion about the idea has changed significantly in both countries since Russia invaded Ukraine on Feb. 24.

"The Finns think that if Putin can slaughter his sisters, brothers and cousins in Ukraine, as he is doing now, then there is nothing stopping him from doing it in Finland," former Finnish Prime Minister Alexander Stubb told CNN. A recent poll found that 62% of Finns favor joining NATO, the Financial Times [reported](#).

Finnish Prime Minister Sanna Marin said Friday that Finland's Parliament will discuss possible NATO membership "within the coming weeks" with talks that could wrap up "before midsummer," adding they don't want to take more time than necessary, "because the situation is, of course, very severe," CNN reported. Finland shares an 800-mile border with Russia.

Sweden also is analyzing its security policy, expecting to wrap up that process in May. After that, its government is expected to announce its position on joining NATO, a Swedish official told CNN.

Asked if President Biden would visit Zelensky in Kyiv as U.K. Prime Minister Boris Johnson did Saturday, Sullivan told NBC: "President Biden has been to Kyiv before. He looks forward to going to Kyiv again. But we're not currently planning a trip."

Write to Janet H. Cho at janet.cho@dowjones.com

[U.S. Raises Pressure as Russia Appoints New General in Ukraine](#)

NS gdip : International Relations | gvio : Military Action | gvexe : Executive Branch | gpapp : Political Appointments/Terminations | gpir : Politics/International Relations | gpol : Domestic Politics | gcat : Political/General News | gcns : National/Public Security | grisk : Risk News | gvbod : Government Bodies

RE ukrn : Ukraine | russ : Russia | asiaz : Asia | easiaz : Eastern Asia | eurz : Europe | namz : North America | uk : United Kingdom | usa : United States | ussrz : CIS Countries | apacz : Asia Pacific | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcos : Developing Economies | eurz : Central/Eastern Europe | weurz : Western Europe

IPD News

IPC FTM.YY

PUB Dow Jones & Company, Inc.

AN Document BON0000020220410ei4a000dx

THE WALL STREET JOURNAL.

CLM Europe News
SE World
HD **Ukraine** Urges Citizens to Flee Ahead of Expected Russian Assault in East; Moscow is repositioning forces, with Kyiv trying to send in military supplies as both brace for battle in Donbas
BY By James Marson and Brett Forrest
WC 1,356 words
PD 9 April 2022
ET 23:01
SN The Wall Street Journal Online
SC WSJO
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.
LP

KYIV, Ukraine—Heavier shelling in a front-line Ukrainian region prompted officials to [urge remaining civilians to evacuate](#) Saturday as Russia stepped up attacks in Ukraine's east ahead of [an expected offensive](#).

Russia's military was amassing forces and shelling was increasing in the east, making it more urgent for civilians in the area to leave, Serhiy Haidai, governor of the eastern Luhansk region, told Ukrainian public television.

TD

The assault comes after a Russian missile strike Friday on [the train station in Kramatorsk](#), to the west. The station was thronged with 4,000 Ukrainians heeding official calls to flee ahead of what both sides say is the next phase of [the six-week-old conflict](#): a fresh Russian offensive [to expand its hold on Ukraine's east](#).

At least [52 people were killed](#) and more than 100 were injured in the station attack, with five children among the dead and another 16 wounded as of late Friday, according to the head of the administration in the eastern region of Donetsk, where Kramatorsk is located.

Russia denied the strike but said its forces were targeting train stations to prevent Ukraine's military from moving weapons and other supplies into the area, known as Donbas, which includes Donetsk and the neighboring Luhansk region. Ukrainian officials have accused Russia of thwarting evacuation attempts [in the city of Mariupol](#) and other parts of the country by mounting heavy artillery barrages.

Mr. Haidai, the Luhansk governor, said evacuations were being attempted via five corridors that were coming under attack.

"Every evacuation day is like the last," Mr. Haidai said on social media. "The Russians do not allow for the protection of the lives of the inhabitants of the Luhansk region. Every day we take people out under heavy fire."

Both sides are gearing up for a full-scale Russian assault in Donbas in the coming days, with Ukraine trying to remove civilians and send in military supplies while Russia repositions forces withdrawn from around Ukraine's capital, Kyiv, in the north where they [encountered stiff resistance](#).

Kyrylo Budanov, Ukraine's head of military intelligence, said in an interview on CNN that the Russian forces that pulled out of northern Ukraine were regrouping across the border around the Russian city of Belgorod, where they are picking up additional troops to compensate for their losses.

Mr. Budanov said the Kremlin's renewed assault would attempt to take the northern city of Kharkiv and "try to finish off the city of Mariupol" in the south before advancing toward Kyiv.

Mr. Haidai said he expects the new Russian offensive to begin soon so that Moscow's army could deliver "some kind of victory" ahead of May 9 commemorations of victory in World War II.

Friday's train station strike on fleeing civilians came on the heels of allegations that Russian troops in their occupation of areas around Kyiv [killed large numbers of civilians](#). Those alleged actions have further [solidified Western support for Ukraine](#).

Ukrainian President Volodymyr Zelensky, in a televised address early Saturday, called the train-station strike the "latest war crime of Russia, for which everyone involved will be held accountable." President Biden, U.K. Prime Minister Boris Johnson and others condemned the attack.

Mr. Johnson on Saturday became the latest European leader to travel to Kyiv to show support for Mr. Zelensky's government. Mr. Johnson laid out a new package of military and other assistance "to support Ukraine in this crucial phase while Russia's illegal assault continues," his office said.

Included in the new aid, Mr. Johnson's office said, are 120 armored vehicles and new antiship missile systems, which will come in addition to a package announced Friday of Starstreak anti-aircraft missiles, 800 anti-tank missiles and high-tech munitions that loiter above targets for precision strikes.

European Commission President Ursula von der Leyen, who went to Kyiv on Friday, said after her visit that the European Union is proposing 500 million euros, equivalent to \$544 million, in new support for Ukraine's military, on top of 1 billion euros previously allocated for weapons.

"This war will be won on the battlefield," EU Foreign-Policy Chief Josep Borrell, who accompanied Ms. von der Leyen, tweeted on Saturday.

As part of what he called his "to do list," Mr. Borrell said that he planned to meet Sunday with the prosecutor of the International Criminal Court, who is investigating suspected war crimes in Ukraine.

Ukrainian authorities on Saturday continued collecting the dead and cleaning up in areas around Kyiv that had been occupied by Russian forces until their retreat in the final days of March.

In the district of Makariv to the west of Kyiv, police traveled around villages picking up civilians who had been shot or died from shrapnel wounds or other causes. Officials said they had collected more than 100.

In Bucha, the Kyiv suburb where Russian forces left behind the bodies of several hundreds of civilians, people collected wreckage, piling it high on sidewalks and streets for removal. Cranes and dump trucks removing blackened and rusted Russian armored vehicles from a column the Ukrainian military had destroyed more than a month ago.

Government investigators questioned people about what they had seen during the occupation. Units with the town's territorial defense searched homes whose residents they suspected of looting. The sounds of controlled explosions rocked Bucha now and then, as bomb technicians eliminated booby traps and unexploded ordnance.

Russia's repositioning of its forces from northern Ukraine to the east provides a window for the West to supply Ukraine with more armaments, said Mr. Budanov, the military-intelligence chief.

"We are getting more supplies. These supplies are not enough," Mr. Budanov told CNN. His list of needs includes heavy artillery, air-defense and missile systems, as well as combat planes, the latter of which the U.S. has been reluctant to provide out of concern it would bring it into direct conflict with Russia.

Ahead of the expected offensive, Ukraine's east—a site of persistent, mostly low-boil fighting since Russian-controlled separatists took over parts of the area in 2014—is becoming a war zone.

Ukrainian officials said Saturday that their forces held firm in the face of artillery barrages, some of which struck civilian buildings, and tank assaults in the past 24 hours.

Ukraine's air-force command said that it intercepted a Russian drone, a cruise missile and a helicopter, and that the military in the eastern part of the country had downed a Russian helicopter.

Mr. Haidai, the Luhansk governor, said Russian forces had seized parts of the towns of Rubizhne and Popasna and were trying to push Ukrainian defenders out. In an interview with Ukrainska Pravda, a Ukrainian news portal, Mr. Haidai said that Russia had been hammering Popasna, a town of some 20,000, for more than a month, and that authorities were unable to organize the evacuation of civilians because of the intensity of strikes.

"They are destroying everything," he said.

Mr. Haidai told public television that around 30% of residents remained in cities in the region, and he urged them to leave if possible.

Ukraine's state railway company said 11 evacuation trains would depart Saturday from two cities in the country's east to cities in the west.

The Black sea port city of Odessa, which has been repeatedly hit by missiles during the conflict, ordered a curfew from Saturday night to Monday morning over what the local military administration said is the danger of a missile strike.

The administration, in a Facebook post, specified Sunday as the timing for the possible attack. It didn't provide further explanation but cited Friday's missile attack on the Kramatorsk train station.

Write to James Marson at james.marson@wsj.com and Brett Forrest at brett.forrest@wsj.com

[Ukraine Urges Citizens to Flee Ahead of Expected Russian Assault in East](#)

NS gvio : Military Action | gdef : Armed Forces | gvexe : Executive Branch | gpri : Politics/International Relations | gpol : Domestic Politics | ncolu : Columns | gcat : Political/General News | gcns : National/Public Security | grisk : Risk News | gvbod : Government Bodies | ncat : Content Types

RE ukrn : Ukraine | russ : Russia | asiaz : Asia | donsk : Donbas | easiaz : Eastern Asia | eurz : Europe | uk : United Kingdom | ussrz : CIS Countries | apacz : Asia Pacific | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe | weurz : Western Europe

IPD WSJ

IPC N/GEN

PUB Dow Jones & Company, Inc.

AN Document WSJO000020220409ei49000p1

THE WALL STREET JOURNAL.

CLM Africa News
SE World
HD **In Africa, U.S.-Trained Militaries Are Ousting Civilian Governments in Coups; Insurrections are disrupting American security strategy in the region and giving Russia an opening to gain sway**
BY By Michael M. Phillips
WC 1,568 words
PD 9 April 2022
ET 17:30
SN The Wall Street Journal Online
SC WSJO
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.
LP



A Green Beret conducted U.S.-led special-operations exercises with a Guinean soldier in Nouakchott, Mauritania, in 2020. PHOTO: MICHAEL M. PHILLIPS/THE WALL STREET JOURNAL

TD

FORT BENNING, Ga.—A flurry of [military coups across Africa](#) has disrupted the U.S. strategy of enlisting local armies to counter Islamist extremists and other security threats.

The U.S. has trained thousands of African soldiers, from infantrymen rehearsing counterterrorism raids on the edge of the Sahara to senior commanders attending the U.S. Military Academy at West Point. The programs are a linchpin of U.S. policy on the continent, intended to help African allies professionalize their armed forces to fight armed opponents both foreign and domestic.

But U.S. commanders have watched with dismay over the past year as [military leaders in several African allies](#)—including officers with extensive American schooling—have overthrown civilian governments and seized power for themselves, triggering laws that forbid the U.S. government from providing them with weapons or training.

"There's no one more surprised or disappointed when partners that we're working with—or have been working with for a while in some cases—decide to overthrow their government," Rear Adm. Jamie Sands, commander of U.S. special-operations forces in Africa, said this week. "We have not found ourselves able to prevent it, and we certainly don't assess that we're causing it."

The strategic setback was apparent in recent weeks here at Fort Benning, where the U.S. Army hosted its annual gathering of top ground-force commanders from around Africa. Senior soldiers from three dozen African countries watched American recruits tackle boot-camp obstacle courses, witnessed parachute training and saw live-ammo tank and mortar demonstrations.

The Army withheld invitations from coup leaders in Mali and Burkina Faso, West African countries engaged in existential struggles with al Qaeda and Islamic State. Guinean soldiers, who in September [toppled the West African nation's civilian government](#), were left out of the Fort Benning events and are no longer included in U.S.-led special-operations exercises.



African soldiers watched American troops practice hand-to-hand combat last month at Fort Benning, Georgia. PHOTO: MICHAEL M. PHILLIPS/THE WALL STREET JOURNAL

Sudan's ruling junta, which last year reversed a U.S.-supported transition to democratic rule, was unwelcome at the Fort Benning summit. Ethiopia hosted the last such gathering in 2020; this year its military is on the outs with the U.S. over alleged human-rights abuses in its war against Tigrayan rebels.

"We don't control what happens when we leave," said U.S. Army Col. Michael Sullivan, commander of the 2d Security Force Assistance Brigade, a unit created to advise and train African armies. "We always hope we're helping countries do the right thing."

Last year, a logistics advisory team from Col. Sullivan's brigade had just arrived in Addis Ababa, Ethiopia's capital, and was waiting out its Covid-19 quarantine at a hotel when the Biden administration decided to cancel the deployment "due to our deep concerns about the conflict in northern Ethiopia and human-rights violations and abuses being committed against civilians," according to a State Department spokesperson.

The advisers completed quarantine and left the country.

"I think everybody is hopeful they will turn the corner again and we'll be able to work with our Ethiopian partners," Col. Sullivan said.

Meanwhile, America's Great Power rivals can seek to take advantage of the U.S. pullback.

Malian commandos attended U.S.-led special-operations exercises in Mauritania in 2020, but were cut off from American training after its military overthrew the president last May. The Malian junta hired Russian mercenaries from the Kremlin-linked Wagner Group to provide security.

The coup and the presence of the Russian agents led to a falling-out between Mali and France, the former colonial power in much of West Africa, and the announcement that Paris would withdraw thousands of troops that were in Mali fighting Islamic State and al Qaeda.

Human Rights Watch alleged this week that the Russians and their Malian allies rounded up and massacred roughly 300 civilian men—some suspected militants—in the town of Moura last month.

"The Malian government is responsible for this atrocity, the worst in Mali in a decade, whether carried out by Malian forces or associated foreign soldiers," Corinne Dufka, a director of Human Rights Watch, said in a written release.

The Malian Defense Ministry reported that it had killed 203 "terrorists" in the operation and arrested 51 others, seizing weapons and ammunition. The military subsequently announced an investigation into the alleged massacre.

For years, the U.S. trained soldiers from Burkina Faso, which is [facing waves of attacks](#) from Islamic State fighters and a coalition of al Qaeda affiliates called Jama'at Nusrat al-Islam wal Muslimin, or JNIM.

In 2019, Burkina Faso hosted 2,000 commandos from 32 African and Western countries for U.S.-led special-operations exercises, aimed at beefing up security in the Sahel, the semiarid strip just south of the Sahara.

In 2020, Lt. Col. Paul-Henri Damiba was among the Burkina Faso army contingent when the American-led exercises moved to Mauritania. Col. Damiba had previously attended a U.S.-sponsored military intelligence course in Senegal and a State Department peacekeeping-training program.

Early this year, the U.S. military was sufficiently concerned about the spread of militant violence in Burkina Faso to dispatch a Special Forces team to Ouagadougou, the capital city, to advise local commandos.

The Green Berets had just arrived when Burkina Faso soldiers, unhappy with the civilian government's conduct of the war, surrounded the presidential palace, arrested President Roch Marc Christian Kaboré, and announced that a military junta, the Patriotic Movement for Safeguarding and Restoration, would take power.

Eight days after the first burst of gunfire in front of the presidential palace, the junta named Col. Damiba president.

Instead of training local forces, the Green Berets reinforced security at the U.S. Embassy in Ouagadougou, in case the coup unleashed anti-American unrest. The U.S. also suspended work on plans to send one of Col. Sullivan's advisory teams to the country.

Ghana, Ivory Coast, Benin and Togo dropped Burkina Faso from a joint task force being formed to prevent militants in the Sahel from pushing south toward the Gulf of Guinea—a prospect that alarms the Pentagon.

"Burkina was taken out because of the coup," said Maj. Gen. Thomas Oppong-Peprah, Ghana's army chief of staff.

American officers say their work with African counterparts routinely includes discussion of the importance of civilian control of the military and adherence to the rule of law.

"So these coups are completely opposite to everything that we're teaching," Adm. Sands, the special-operations commander, said in a call with reporters.

Still, Michael Shurkin, a former Central Intelligence Agency analyst, questioned whether American lectures can successfully counter the political pressures Africa armies can face amid fierce insurgencies, ethnic divisions and corrupt civilian governments.

"Why is a year at Fort Leavenworth going to change how you behave politically in your own country?" asked Mr. Shurkin, now with 14 North Strategies, an Africa-focused consulting firm. "It just doesn't make sense to me."

American Green Berets were in the midst of training Guinean special forces last year when the local soldiers broke away to oust the country's civilian president. The coup leader, special forces Col. Mamady Doumbouya, had headed Guinea's delegation to the 2019 American-led commando exercises in Burkina Faso.

When they realized they were at the center of an insurrection, the U.S. commandos took shelter at the U.S. Embassy in Conakry, Guinea's capital. "At this time, the U.S. Africa Command has suspended all training with the Guinea military," said a U.S. Africa Command spokeswoman.

Sudan, which had forsaken past ties with terror groups, begun a democratic opening and embarked on a sweeping rapprochement with the U.S., was invited to the U.S.-African army summit in 2020. But [a military junta retook power](#) last year and launched a bloody crackdown on protesters, losing its invitation to the Fort Benning event.

U.S. officers say they have no choice but to work with other militaries in global security missions; the U.S. practice is to fight its wars alongside allies. "Our intent is to continue to extend a hand to African nations to help them and really help them address some of the underlying causes of these coups," said Adm. Sands.

Over the past 20 years, Fort Benning, which specializes in infantry, airborne and Ranger training, has hosted 1,650 soldiers from 37 African countries.

"The military should always collaborate," said Maj. Gen. Chikunkha Harrison Soko, Malawi's U.S.-trained land-force commander.

Insecurity in one part of the world quickly leaks into others, he said, through refugee flows and the spread of extremist ideologies. "What affects Europe, affects Africa," Gen. Soko said. "What affects Africa, affects the whole of Europe."

Write to Michael M. Phillips at michael.phillips@wsj.com

[In Africa, U.S.-Trained Militaries Are Ousting Civilian Governments in Coups](#)

CO	usmawp : U.S. Military Academy West Point
NS	gdef : Armed Forces gcoup : Armed Rebellion gvio : Military Action gcrim : Crime/Legal Action gpir : Politics/International Relations gpol : Domestic Politics gterr : Terrorism gvbod : Government Bodies ncolu : Columns nimage : Images gcat : Political/General News gcns : National/Public Security grisk : Risk News ncat : Content Types nfact : Factiva Filters nfcpx : C&E Executive News Filter
RE	usa : United States africaz : Africa asiaz : Asia easiaz : Eastern Asia eurz : Europe namz : North America russ : Russia ussrz : CIS Countries apacz : Asia Pacific bric : BRICS Countries devgcoz : Emerging Market Countries dvpcoz : Developing Economies eeurz : Central/Eastern Europe
IPD	Wires
IPC	G/CIA
PUB	Dow Jones & Company, Inc.
AN	Document WSJO000020220409ei49000ul

SE Daily
HD This Global-Conflict Expert Sees a Bleak End for the **Russia-Ukraine** War and for Putin
BY By George Friedman
WC 1,453 words
PD 9 April 2022
ET 21:07
SN Barron's Online
SC BON
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.
LP

This commentary piece originally appeared on [MarketWatch](#).

As we consider how the war in Ukraine will end, we must first understand how it began. Russia invaded for geostrategic reasons—having Ukraine as a buffer state safeguards Moscow from invasion from the west—and for economic reasons, which have often gone overlooked. The transition from the Soviet Union to the Russian Federation wasn't exactly lucrative. It may have increased total wealth, but Russia remains a poor country. Its gross domestic product ranks just behind South Korea's, a respectable placement but hardly where a superpower should be. In terms of per capita GDP, Russia ranks 85th, nestled between Bulgaria and Malaysia.

TD

Economic statistics rarely tell the whole story, of course, but in Russia's case they fairly accurately present a country that is poorer than it appears, masked superficially by a top layer of the superrich elite. Life in major cities such as St. Petersburg and Moscow is luxurious for the wealthy and bearable for the rest. Life in the countryside is something else entirely.

Individual regimes can't be solely blamed for Russian poverty. The size of the nation, and the difficulties in areas such as transport associated with its size, makes Russia difficult to govern. From the time of the tsars, it has been the state rather than shared economic prosperity that has kept Russia together. Often this has been achieved through the security services, which are tasked with maintaining state power, not with building an economy. It's little wonder that the country that boasted the Okhrana also produced a president who cut his teeth in the KGB. Rightly or wrongly, Russia's size and inefficiency tend to demand a strong hand.

This has created an expectation that the state will be strong even if the people are poor. There was pride in the tsars and in Stalin, that so-called man of steel. But for a ruler to govern Russia, they must demonstrate strength. The intellectuals in Russia speak of democracy and human rights. The people want protection against invaders from without and against impoverishing chaos from within.

Over the years, President Vladimir Putin has made various gestures at improving Russia, but he learned in the KGB that without a strong hand Russia is ungovernable. And he knew that there are two types of strength: The kind that makes other countries tremble, and the kind that keeps homegrown "enemies" in check.

From Belarus to Kazakhstan, Putin has tried, in the only way he sees fit, to rebuild Russia brick by brick. Ukraine is the biggest brick. He believes he had to take it. Russia was becoming restless. Dissidents were being arrested, and foreigners were dismissing it. Strategy and power forced him to act. But the problem was that his instrument of action, the Russian army, was as ineffective as Russia itself. This had not always been the case. As brutal as military service could be, there was a certain pride in it.

The Russian army today seems disorganized, unimaginative and uninspired. The deployment of force, preparation of logistics and command of the battlefields on all levels simply wasn't there. This was a different sort of Russian army, a bureaucratized one, one more afraid of the tsar than of losing to the enemy. Putin demanded a rapid defeat of the enemy. But to rule by strength, you must see clearly and strike decisively at the center of gravity.

Ukraine had no center of gravity, only a widely dispersed light infantry force that provided no single point to destroy. Although that may seem like guerrilla warfare, it is not, and Ukraine surprised its enemy with resilience and unpredictability. The attacker can respond with brutal attacks on the population, but that leaves the Ukrainians with no choice but to fight. The Russian army wasn't designed for this war, hadn't planned for this war and has only [brutal counter-civilian action to take](#). And Putin will take it.

The problem, then, is that Putin cannot stop, nor can he reach an agreement with Ukraine that he will keep. Every deal—except for surrender by the enemy—is a revelation of weakness on the part of a weak country and a weak ruler. The only alternatives are ineffective action because the force he sent to war was the wrong force from a country that didn't have the right one.

He can reach a genuine cease-fire, but if he does he's finished. Not being able to defeat the Ukrainians, and held in contempt by others, destroys the myth of his power. Continuing the war endlessly reveals the same thing. As this goes on, Putin's primary task is to pretend that the defeat is not happening because anything less than victory is a defeat. Every agreement must end in betrayal, and as it happens with guerrillas, they get stronger the longer the war drags out.

A crucial question is whether Russia has strategic reserves. The army has been in the field for over a month, in weather that is still cold, at the end of a logistical line that is problematic. It has been fighting a highly motivated, mobile light infantry force familiar with the terrain. It cannot go on indefinitely. Russia has to rotate its forces. Strategically, it must send more. Instead, it is executing a bloody withdrawal. You don't fight for the same ground twice unless you have to.

This means that Putin's war plan is shattered. The resistance has been effective and his troops need a relief he cannot provide. Putin will feint in other directions—perhaps in the Baltics or Moldova—but he lacks the force to fight on another front. He can't sustain this war easily, especially in the face of NATO soldiers who have so far stayed out of the fray.

Even so, I cannot predict what a leader will do in the end. But for now, it's clear to me that Putin will cling to power and blame everyone around him. But every day the war goes on, Putin gets weaker. Ukraine should not be able to resist, NATO should not be united, American economic warfare should not be so powerful. Putin is growing more desperate. He has mumbled about nuclear weapons, the sign of utmost desperation. But he knows he and anyone he may love will die in a nuclear exchange.

Putin also knows that the order to launch must go through several hands, and each of those hands knows that the counterstrike will kill their loved ones. Therein lies the weakness of nuclear war: retaliating is one thing, initiating another. Putin trusts few people, and he doesn't know how reliable anyone would be in this situation—nor what the Americans might do if they saw preparation for a Russian launch.

If Putin gives up his position, he is compromised, and perhaps lost. The buzzards are circling. So Putin must continue to fight until he is forced out and someone else not responsible for this disaster takes over and blames it all on him. I think that this can't end until Putin is pulled from the game.

Obviously, I am moving here away from geopolitical analysis into the political. The former tries to minimize individual influence while the latter emphasizes it. That gives my forecast an inevitable imprecision. But given the situation on the ground, and given Russian internal dynamics, it does seem that all the forces coming to bear on Putin dictate a certain direction. The war will end, but the war is evolving in a way that creates unique pressures on the Russian political system, and, because of the nature of the system, that pressure pivots on Putin.

This is not the only outcome. Ukraine might collapse. Russia might collapse. The Russian army may devise a strategy to win the war. A settlement that is respected might be reached. All of these are possible, but I don't see much movement in any of these directions. A political end is what I would bet on, with the Russians taking the short end of the stick. I wouldn't have thought this on the first day of the war, but I think this likely will be the shape of the last day.

George Friedman is chairman of [Geopolitical Futures](#) and author of "[The Storm Before the Calm: America's Discord, the Coming Crisis of the 2020s, and the Triumph Beyond.](#)" (Doubleday, 2020)

Write to editors@barrons.com

[This Global-Conflict Expert Sees a Bleak End for the Russia-Ukraine War and for Putin](#)

NS gvexe : Executive Branch | gcat : Political/General News | gpri : Politics/International Relations | gvio : Military Action | gcns : National/Public Security | gppl : Domestic Politics | grisk : Risk News | gvbd : Government Bodies

RE russ : Russia | ukrn : Ukraine | asiaz : Asia | easiaz : Eastern Asia | eurz : Europe | uk : United Kingdom |
ussrz : CIS Countries | apacz : Asia Pacific | bric : BRICS Countries | devgcoz : Emerging Market
Countries | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe | weurz : Western Europe

IPD Commentary

IPC N/GEN

PUB Dow Jones & Company, Inc.

AN Document BON0000020220409ei49000p1

THE WALL STREET JOURNAL.

CLM China News
SE World
HD **China Is Accelerating Its Nuclear Buildup Over Rising Fears of U.S. Conflict; Beijing believes U.S. could turn to nuclear weapons in a war; [Ukraine](#) invasion underscores the value of a robust arsenal**
BY By Alastair Gale
WC 1,951 words
PD 9 April 2022
ET 18:30
SN The Wall Street Journal Online
SC WSJO
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.
LP

China has accelerated an expansion of its nuclear arsenal because of a change in its assessment of the threat posed by the U.S., people with knowledge of the Chinese leadership's thinking say, shedding new light on a buildup that is raising tension between the two countries.

The Chinese nuclear effort long predates [Russia's invasion of Ukraine](#), but the U.S.'s wariness about getting directly involved in the war there has likely reinforced Beijing's decision to put greater emphasis on developing nuclear weapons as a deterrent, some of these people say. Chinese leaders see a stronger nuclear arsenal as a way to deter the U.S. from getting directly involved in a potential conflict over Taiwan.

TD

Among recent developments, work has accelerated this year on more than 100 suspected missile silos in China's remote western region that could be used to house nuclear-tipped missiles capable of reaching the U.S., according to analysts that study satellite images of the area.

American leaders have said the thinking behind China's nuclear advance is unclear. Independent security analysts who study nuclear proliferation say they are also in the dark about what is driving Beijing after exchanges between Chinese officials and analysts mostly dried up in the past few years.

The people close to the Chinese leadership said China's increased focus on nuclear weapons is also driven by fears Washington might seek to topple Beijing's Communist government following [a more hawkish turn](#) in U.S. policy toward China under the Trump and Biden administrations.

American military officials and security analysts are concerned China's nuclear acceleration could mean it would be willing to make a surprise nuclear strike. The people close to the Chinese leadership said Beijing is committed to not using nuclear weapons first.

China plans to maintain an arsenal no larger than necessary to ensure China's security interests, they said, adding that the Chinese military believes its nuclear weapons are too outdated to present an effective deterrent against a potential U.S. nuclear strike.

"China's inferior nuclear capability could only lead to growing U.S. pressure on China," one person close to the leadership said.

Nervous international reaction to Russian leader Vladimir Putin's call for his [nuclear forces to be put on alert](#) following his invasion of Ukraine has offered Chinese officials a real-world lesson about the strategic value of nuclear weapons. So did Ukraine's decision in 1994 to turn over the nuclear weapons left in the country after the breakup of the Soviet Union in return for security assurances from the U.S. and Russia.

"Ukraine lost its nuclear deterrence in the past and that's why it got into a situation like this," said a retired Chinese military officer with ties to the country's nuclear program.

The people familiar with the Chinese leadership's thinking said Beijing hasn't conveyed any adjustments to the country's nuclear policy as a result of developments in Ukraine. China's Ministry of Defense didn't respond to a request for comment.

The people have knowledge of Beijing's thinking about nuclear policy through their work with various agencies involved in security issues. None are directly involved in the setting of nuclear policy. They didn't preclude that future developments might change Beijing's approach and said other factors may also be influencing the leadership's approach to nuclear weapons.

Their observations nevertheless bring greater clarity to a shift in Beijing's thinking that has far-reaching consequences globally. Rising tension between the U.S. and China over nuclear weapons could throw the world back into a Cold War-style nuclear standoff similar to that seen in the decades following World War II between the U.S. and Soviet Union.

The risk of miscalculations this time could be higher, however, because while the U.S. and Soviet Union communicated about their nuclear weapons during arms control talks from the late 1980s, the Chinese program and Beijing's thinking on the role of nuclear weapons has been shrouded in secrecy. China has declined to engage in nuclear arms control talks with the U.S., saying Washington should first reduce its nuclear inventory.

U.S. government and private sector estimates put China's nuclear arsenal in the low hundreds of warheads, far below the roughly 4,000 warheads held by both Russia and the U.S. The Pentagon says it now expects China to have 1,000 warheads by the end of this decade.

Satellite images taken during January show the last 45 of the temporary covers over each of 120 suspected missile silos near the city of Yumen have been removed, suggesting the most sensitive work at all of the silos has been completed, said Matt Korda, a senior research associate for the Nuclear Information Project at the Federation of American Scientists in Washington. At two other smaller silo fields in western China, work is at earlier stages.

The silos at each of the sites are large enough for a new long-range Chinese missile known as the DF-41 that was put into service in 2020 and is capable of hitting the U.S. mainland, analysts say. Tests of missiles that are launched from aircraft and can carry nuclear warheads also give Beijing a stronger chance of being able to retaliate if it is hit first in a nuclear attack.

In public, China has played down its nuclear pursuits.

"On the assertions made by U.S. officials that China is expanding dramatically its nuclear capabilities, first, let me say that this is untrue," Fu Cong, director general of the Foreign Ministry's arms control department, said earlier this year. He said that China is working to ensure its nuclear deterrent meets the minimum level necessary for national defense.

Chinese leaders had seen nuclear weapons as being of limited value because they don't offer realistic options for fighting most wars. A major shift occurred in early 2020, according to the people familiar with the leadership's thinking, as the U.S. government [hardened its stance](#) toward Beijing in the early stages of the Covid-19 pandemic.

Strong criticism of the Communist Party from senior Trump administration officials spurred a consensus among Chinese leaders that Washington was willing to take greater risks to stop China's rise, some of the people said.

[A May 2020 speech](#) in Mandarin by former Deputy National Security Adviser Matt Pottinger was particularly alarming, they said. Speaking on the anniversary of a pivotal 1919 student protest in China, Mr. Pottinger said: "Wasn't the goal to achieve citizen-centric government in China, and not replace one regime-centric model with another one? The world will wait for the Chinese people to furnish the answers."

"The speech was obviously calling the Chinese to topple the Communist Party," one person familiar with the Chinese leadership's thinking said.

In response to a request for comment, Mr. Pottinger said that such an interpretation was "a profound admission that the Communist Party knows it has failed to deliver citizen-centric governance, and it confirms what everyone already suspected: What Beijing fears above all is its own people."

At the same time, increased [support from the U.S. for Taiwan](#), a democratically self-ruled island that Beijing views as a part of China and has vowed to put under its control, prompted Chinese leaders to debate the prospect that the U.S. might be willing to use nuclear weapons in a conflict over the island, according to the people close to the leadership.

There are no indications that a war over Taiwan is imminent, but leaders in both the U.S. and China believe the island is the flashpoint most likely to spark military confrontation. The U.S. maintains a policy of not saying whether it would intervene to support Taiwan, an approach intended to deter conflict. If the U.S. did intervene in a war, American bases in Japan, Guam and elsewhere in the western Pacific could become targets for the Chinese military.

Under a review of nuclear policy conducted by the Trump administration in 2018, the U.S. said it might use nuclear weapons to respond to significant nonnuclear attacks on the U.S. or its allies. President Biden is set to [stick to that approach](#), according to U.S. officials.

Beijing believes Washington would consider attacking mainland China with nuclear weapons because the U.S. military faces challenges in defending Taiwan against the People's Liberation Army using conventional weapons, the people said.

Pointing to Ukraine, some security analysts have suggested China could use the threat of a nuclear strike to deter the U.S. not just from using its own nuclear weapons in a conflict over Taiwan, but from joining the fight with conventional military power as well.

Despite China's no-first-use pledge, U.S. military officials and analysts fear the PLA could be tempted to use its midrange missiles to wipe out U.S. military bases in the Asia-Pacific region in the event of a war.

"Large-scale conventional military involvement over Taiwan could quickly lead one side or the other to talk themselves into thinking nuclear use may improve the situation for their side," said Christopher Twomey, an associate professor of National Security Affairs at the U.S. Naval Postgraduate School in Monterey, Calif.

Satellite images show that work began on the Yumen silo field between March and October 2020, not long after the leadership's concerns about U.S. intentions rose.

China has declined to answer questions about whether the sites are missile silo fields, but in a meeting with senior military officers in March last year, President Xi Jinping urged them to "accelerate the construction of advanced strategic deterrent systems," state media reported, a reference to nuclear weapons.

Other recent developments suggest China is putting a greater emphasis on being able to respond to a nuclear attack in kind. Beijing is building an early-warning system to detect incoming missiles with Russian assistance, according to the Pentagon, and in February 2021, China launched a satellite that some analysts believe is the start of a space-based sensor system for missiles.

China is also developing [more advanced weapons](#) that could potentially carry nuclear warheads, including hypersonic missiles, which the U.S. has no proven defenses against.

"All of these capabilities work together to say to the U.S.: 'There is no world in which you can engage in a nuclear first strike against China and not expect nuclear retaliation back on your cities, even with your missile defenses, even with your great counterforce capabilities,'" said Caitlin Talmadge, an associate professor of security studies at Georgetown University.

Uncertainties abound despite the mounting evidence of China's nuclear buildup. U.S. intelligence estimates of China's nuclear stockpile tend to fluctuate wildly, a reflection of the challenge in collecting reliable numbers. Meanwhile, analysts caution that China is likely to load only some of its silos with missiles, and only some of those may be nuclear-tipped.

With war continuing to smolder in Ukraine, however, the calculus in Beijing is growing clearer.

"No matter how the situation develops in the future, the world will be more confrontational," said the retired Chinese military official. "Under such circumstances, China definitely needs to maintain nuclear deterrence."

Write to Alastair Gale at alastair.gale@wsj.com

[China Is Accelerating Its Nuclear Buildup Over Rising Fears of U.S. Conflict](#)

NS

gdip : International Relations | gnuclw : Nuclear Weapons Programs | gcat : Political/General News | gpipr : Politics/International Relations | gvbod : Government Bodies | gvio : Military Action | ncolu : Columns | gcns : National/Public Security | gdef : Armed Forces | gppl : Domestic Politics | grisk : Risk News | gweap : Weapons Programs | ncat : Content Types

RE china : China | easiaz : Eastern Asia | chinaz : Greater China | asiaz : Asia | eurz : Europe | namz : North America | russ : Russia | uk : United Kingdom | ukrn : Ukraine | usa : United States | apacz : Asia Pacific | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe | ussrz : CIS Countries | weurz : Western Europe

IPD WSJ News Exclusive |

IPC G/FDL

PUB Dow Jones & Company, Inc.

AN Document WSJO000020220409ei490015r

THE WALL STREET JOURNAL.

CLM Latin America News
SE World
HD **Ukrainian Enclave in Brazil Offers Warm Welcome to War Refugees; Tropical 'Little Ukraine' is populated by descendants of Ukrainian immigrants who arrived decades ago and still maintain the old language and customs**
BY By Samantha Pearson and Luciana Magalhaes | Photographs by Maria Magdalena Arréllaga for The Wall Street Journal
WC 1,311 words
PD 9 April 2022
ET 16:30
SN The Wall Street Journal Online
SC WSJO
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

PRUDENTÓPOLIS, Brazil—Ever since Russian President Vladimir Putin ordered the [invasion of Ukraine](#), this sleepy farming town some 7,000 miles away in southern Brazil has been gripped by a sense of both horror and nervous excitement.

Nicknamed "Little Ukraine," Prudentópolis prides itself on being one of the most Ukrainian towns in Latin America, perhaps even more Ukrainian than Ukraine itself, locals joke.

TD

Among soybean farms rise onion-domed wooden churches, where congregations in traditional embroidered shirts pray in a form of Ukrainian that resembles the dialect spoken by their ancestors, immigrants who arrived in Brazil as long ago as the 1890s.

But things are about to change: The refugees are coming. Prudentópolis and surrounding towns are bracing to welcome up to hundreds of 21st century Ukrainians in the coming weeks as Russia's attack on Ukraine [forces people to flee](#) to ever more distant corners of the globe.

"It pains my heart to see them suffering," said Eugenia Michalovski, 54, who looks after a Ukrainian cemetery in the town, dotted with pink flowers. "They're our people."

Like three quarters of the town's 53,000 residents, Ms. Michalovski speaks Ukrainian. She also prays and sings in Ukrainian, listens to Ukrainian music, cooks Ukrainian food—and has never set foot in Ukraine.

SHARE YOUR THOUGHTS

How do you think a wave of refugees from Ukraine might change Brazil? Join the conversation below.

Rafa Borges, a local evangelical pastor who helped organize the transfer of one of the first groups of refugees to the region recently, said he hopes the new arrivals will adapt more easily here and, in turn, strengthen the local Ukrainian community.

"Their arrival has brought enormous joy," said Mr. Borges, whose Comunidade Vida congregation, in the nearby town of Guarapuava, is part of a world-wide group of churches, the Global Kingdom Partnership Network. "Many people's great-grandparents fled here during World War II and now they are doing the same thing to help the refugees."

But an hour away at one of the church's community centers, where the first group of 28 refugees were recently completing a government-mandated Covid-19 quarantine, the Ukrainians appeared oblivious to the cultural significance of their arrival.

They said they were just happy to be alive.

Maryna Hashlova, 35, a teacher from eastern Ukraine, stopped to ponder whether she recognized anything from her native country while making the daylong bus trip south from São Paulo's airport.

"McDonald's! Yes, we have McDonald's in Ukraine too!"

As a gaggle of young boys crowded around an Xbox installed in the corner of the hall, their mothers tried to explain to the church leaders the items they needed. Many left their homes in a hurry during heavy bombing with nothing but the clothes they were wearing.

One young woman gesticulated at the Brazilians, moving her clasped hands up and down to describe something.

"Skis?" asked one of the church leaders incredulously, muttering in Portuguese to his colleagues. "But no snow here," he said to the group in broken English, which was then translated into Ukrainian by one of the mothers, an English teacher back home. The women giggled.

An elderly refugee who is missing her front teeth grabbed a nearby cellphone and called up what she wants on Google Images: crutches.

The first night the group hardly slept.

"It turned out they thought there could be panthers and crocodiles outside," said one of the pastors. The leaders sat them down the next day to explain that the Amazon rainforest was very far away—about 1,200 miles—and stressed again that this region is known for being just like Ukraine.

Most of the group—16 children, 10 women and two men—had never thought about coming to Brazil before the war. "Rio de Janeiro and carnival" is the extent of what she had heard about Latin America's biggest country, said Ms. Hashlova, who came with her son Nazar, 14, and daughter Arina, 8, a budding gymnast. Like most men, her husband was required to stay to help with the war effort.

When Ms. Hashlova left her apartment in [the northeastern city of Kharkiv](#) at the end of February, she didn't intend to emigrate. Her diary was full of meetings, calls and plans. But when the bombing got closer, the family grabbed a few belongings and headed to her parents' house in Kremenchuk—normally a three-hour drive west but a trip that took 13 hours on jammed roads. Their house had an all-important basement.

After being awakened several times a night by the sound of air raid sirens that sent the family scurrying underground, Ms. Hashlova decided to head to Poland. It was there that her church told her the group Global Kingdom could pay their way to South America.

"The hardest thing was leaving my husband," said Ms. Hashlova, who said she saw him, a car parts salesman, cry for one of the first times in his life as they parted ways at the Polish border.

After hearing rumors that Mr. Putin's troops could even invade Warsaw, she said she felt safer in Brazil. It also helped convince her children that they were on some exotic adventure, rather than war refugees.

"We have a lot of affection for Europe here in this region," said Rev. Borges. German, Italian, and Portuguese immigrants also arrived en masse in southern Brazil in the 19th and early 20th century—part of an effort by the ruling elite at the time to whiten the population and fill the labor gap after the abolition of slavery.

The church also recently threw its doors open to Afghan refugees, who have [had trouble acclimating](#) because of the language and Brazilian customs, said some members of the church.

As the Brazilians spoke about how the cooler climes of southern Brazil would help the Ukrainian refugees feel right at home, their voices were soon drowned out by the torrential rain hitting the center's corrugated metal roof. Arina and some of the children, many sunburned from the day before, rushed to the open windows, agog at the downpour, while their mothers filmed the storm on their cellphones.

They were less impressed by the food. Fernanda Ferter, 30, a volunteer in the church's kitchen said they were already despairing over what to do with all the donations of rice and beans after it became apparent the Ukrainians weren't fans of Brazil's national dish. The refugees instead took to making their own varenyky—a traditional Ukrainian dumpling.

The church has vowed to support the group for a year, putting them up in apartments downtown and even helping their husbands migrate once the war is over. In Prudentópolis, Ukrainian descendants said they hoped the refugees decide to settle just as their ancestors did.

Eugenia Charnei, 83, whose father came to Brazil almost a century ago, said she feels more Ukrainian than Brazilian. But she has also come to love varenyky stuffed with Brazilian beans—a delicacy among Ukrainian descendants in this country.

"My parents always used to say that Brazil is the land of the free," she said.

But Ms. Hashlova said she isn't sure how long she will stay.

"Right now we feel safe here and we don't think about tomorrow." She has learned the hard way not to plan too far ahead.

Write to Samantha Pearson at samantha.pearson@wsj.com and Luciana Magalhaes at Luciana.Magalhaes@wsj.com

[Ukrainian Enclave in Brazil Offers Warm Welcome to War Refugees](#)

NS gimm : Human Migration | gpir : Politics/International Relations | gvio : Military Action | ncolu : Columns | gcat : Political/General News | gcns : National/Public Security | grisk : Risk News | ncat : Content Types

RE ukrr : Ukraine | braz : Brazil | eurz : Europe | lamz : Latin America | samz : South America | uk : United Kingdom | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcos : Developing Economies | eeurz : Central/Eastern Europe | weurz : Western Europe

IPD Wires

IPC MCD

PUB Dow Jones & Company, Inc.

AN Document WSJO000020220409ei49000m9

HD **Why Arab Allies Don't Trust the U.S. on Ukraine**

BY By Robert Satloff

WC 905 words

PD 9 April 2022

SN The Wall Street Journal

SC J

PG A13

LA English

CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

My discussions in recent days with Arabs -- high government officials, prominent businessmen and former diplomats -- underscore the gap between how the Ukraine war is commonly viewed in the Middle East and here in America.

For many in the U.S., the shock of Russia's invasion of Ukraine has given way to outrage as every day brings stories of torture, rape and brutality more chilling and gruesome than the stories of the day before. In the face of Russia's aggression, Americans believe they are on the right side of history by standing firmly in support of brave Ukrainians defending their homeland.

TD

Many Arabs see it differently. They view America in 2022 through the lens of their experience over the past 30-plus years. For them, something is amiss.

In 1990, when an Arab aggressor invaded his smaller, weaker neighbor -- Saddam Hussein swallowing Kuwait -- the response of the American president, George H.W. Bush, was to declare "this will not stand." He then orchestrated the greatest international coalition since World War II, including half a million U.S. troops, to expel the invader, restore Kuwait's sovereignty and arrange for billions to rebuild the country. Arabs like to recall that when America showed steely resolve against aggression, their leaders responded to Washington's call, both by contributing troops and by hosting coalition forces. It was the high moment of Arab confidence in America's resolve.

Their more recent experience with America has left a bitter taste. They recite a list of complaints.

This started with Barack Obama's 2009 speech in Cairo, interpreted as offering an outstretched hand to the Muslim Brotherhood, which was followed by the decision to cast off Egypt's Hosni Mubarak, America's longest-serving Arab ally. It continued with Mr. Obama's almost casual ceding of Syria to Russian control by refusing to enforce his own "red line" against the use of chemical weapons. And it peaked with his counsel that Saudi Arabia, a decadeslong security partner, should learn to share the Middle East with the radical leaders of the Islamic Republic of Iran, with whom he negotiated a controversial agreement that rewarded Iran for postponing, but not abandoning, its nuclear ambitions.

The Arabs' list of complaints then moves to the mercurial years of Donald Trump, who talked about restoring partnerships with traditional friends but showed an "America first" indifference when Iran attacked the largest oil-processing facility in Saudi Arabia.

With the current administration, many Arabs point to multiple embarrassments. There is Iran's practice of retaliating against Israeli attacks by targeting U.S. assets because it knows America won't respond. Iran has reportedly secured unexpected concessions from U.S. diplomats at the still-inconclusive Vienna nuclear talks. Washington has limited its response to multiple Iranian missile and drone attacks on Saudi Arabia and the United Arab Emirates, refusing to impose any direct cost on Iran for its aggression.

The result is that, in the eyes of many Arabs, America's impressive military assets throughout the Middle East are a decoy that masks a withdrawal of commitment and resolve.

When seeing America's we'll-fight-to-the-last-Ukrainian approach to Russian aggression, many Arabs conclude that the U.S. can't be counted as a reliable security guarantor, and that nuclear weapons -- which Russia has, Iraq didn't and Ukraine gave up -- make all the difference.

Many add to this list the case of Libya's Moammar Gadhafi. They note that he negotiated away his nuclear ambitions only to be removed from power and killed a few years later.

To be sure, many of my Arab interlocutors have perfected the art of expressing grievance through historical cherry-picking: highlighting America's inadequacies while sidestepping their own governments' follies and self-inflicted wounds. The reality is more complicated, and no critique of American policy can justify indulgence of Russia's criminal behavior or reluctance to lend assistance to the Ukrainian people.

These Arabs have a point, however. If a U.S. president is unwilling to say in 2022 what his predecessor said in 1990, "this will not stand," it is not unreasonable to doubt American resolve and seek deterrence elsewhere.

The serious ones know they won't find it in Moscow or Beijing. Some may turn to Israel, which can certainly help, but that country of under 10 million people isn't a superpower. The answer, if one exists, comes back to Washington.

The U.S. needs to find a way to bolster these Arabs' confidence in the strength of American resolve. In part, this means a willingness to operate in the Middle East the way Iran does, with force and intimidation as tools of diplomacy. And in our bilateral relations, this doesn't mean allowing our friends to buy anything they want in the Pentagon catalogue, but it does mean letting them purchase more than defensive weaponry that does nothing to dissuade Iran.

If we can't do this, we should not be surprised to wake up one morning to find that some of these states have drawn the not-irrational conclusion that security can only be found in the pursuit of their own nuclear weapons. That's a sobering lesson to take from Ukraine.

Mr. Satloff is executive director of the Washington Institute.

[License this article from Dow Jones Reprint Service](#)

NS gdip : International Relations | gvio : Military Action | gpol : Domestic Politics | gtortu : Torture | nedc : Commentaries/Opinions | gcat : Political/General News | gcns : National/Public Security | gcom : Society/Community | gcrim : Crime/Legal Action | ghum : Human Rights/Civil Liberties | gpir : Politics/International Relations | grisk : Risk News | ncat : Content Types | nfact : Factiva Filters | nfcpx : C&E Executive News Filter

RE usa : United States | ukrn : Ukraine | russ : Russia | egypt : Egypt | iran : Iran | iraq : Iraq | israel : Israel | kuwait : Kuwait | saarab : Saudi Arabia | yemar : Yemen | africaz : Africa | asiaz : Asia | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcos : Developing Economies | eeurz : Central/Eastern Europe | eurz : Europe | gulfstz : Persian Gulf Region | meastz : Middle East | medz : Mediterranean | nafrz : North Africa | namz : North America | ussrz : CIS Countries | wasiaz : Western Asia

IPC DEF

PUB Dow Jones & Company, Inc.

AN Document J000000020220409ei490002f

HD The Ukraine Crisis: Flocks, Fields Wither Under Strains of War

BY By Alistair MacDonald and Georgi Kantchev

WC 1,055 words

PD 9 April 2022

SN The Wall Street Journal

SC J

PG A7

LA English

CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

Europe's largest poultry farm, on Ukraine's occupied Black Sea coast, has lost almost four million chickens to thirst and starvation during the country's war with Russia. It falls to plant manager Andriy Chirkov to clean up the disaster left behind.

The war has disrupted Ukraine's prodigious exports of wheat, sunflower oil and other produce, boosting global food costs. It also has halted production at the Chornobaivske chicken farm, situated in a southern part of Ukraine that has experienced some of the heaviest fighting. The facility, which typically exports about one billion eggs a year, is just one of several to have been hit in one of the world's biggest producers.

TD

The chicken factory's difficulties are emblematic of the broader impact Russia's invasion is having on Ukraine's agriculture sector. The industry not only plays a crucial role in feeding the world, but represents the biggest contributor to the country's economy, raising the specter of a slow recovery if and when peace returns.

Recently, Mr. Chirkov was digging pits to bury the dead birds, trying to protect local water supplies from contamination, while risking his health amid the carcasses and Russian soldiers, who he says have shot at him.

"It's not a pretty picture," he said, speaking from the farm just outside the city of Kherson. "We take the birds, transport them and bury them."

Russian forces swept through the area on Feb. 26, the third day of their invasion. When soldiers arrived at the farm, they stole almost all the vehicles and looted personal property from the site's offices, Mr. Chirkov said. "They just came and took the keys, under the barrel of the machine gun . . . There was no conversation," he said.

Russia has denied targeting civilians.

The next day, trucks that supply chicken feed from a neighboring city stopped deliveries, leaving Mr. Chirkov with just two days' worth of supplies.

Mr. Chirkov and a colleague took two trucks and drove to the nearest feed factory to pick up fresh supplies. On the way back, Russian soldiers fired on them, he said. "We no longer risked going there," he said.

Workers began giving away birds and eggs to other local farmers and anyone else who turned up at the farm, which is owned by Avangardco IPL, one of Ukraine's largest agricultural companies. They quickly distributed 1.45 million eggs and 90,000 birds, said Vadim Tolpeco, an adviser to Avangardco's chairman.

"That's quite a flock, but a drop in the bucket compared to the amount of birds we have," Mr. Tolpeco said.

On March 1, Russian mortars took out the local power station, cutting all electricity and crashing the automated system that feeds and waters the farm's chickens.

The farm has 11 generators that need three tons of diesel a day, but fuel is no longer being delivered to the farm. With power rationed, the chickens began to die of thirst and starvation.

Dead birds usually are sent to another plant, which has closed amid the hostilities, leaving piles of chicken corpses spread across the farm. At the site, a series of warehouse-size structures house birds that lay eggs in cages -- a practice no longer allowed in much of Europe.

When Mr. Chirkov needs to clear away what he describes as "dangerous air" from the dead birds, he switches on an industrial-scale air-conditioning system.

When he needs to bury the chickens, he drives a tractor and trailer out into a local field and digs a pit. The pits are deep enough for the soil to act as a filter on the methane that can be released from the decaying birds, away from the water supply and out of reach of other animals.

Before the war, Ukraine was the world's seventh-largest exporter of chicken eggs, sending out 107,000 metric tons in 2020, according to IndexBox Inc., a market-intelligence company. The country, known as the breadbasket of Europe, also is responsible for 10% of global wheat exports, 14% of corn exports and about half of the world's sunflower oil, according to the U.S. Department of Agriculture.

Now, Ukraine's agricultural industry is in turmoil. The war has closed ports, deprived farmers of fertilizer and fuel, destroyed equipment and displaced workers. That has resulted in soaring grain prices, piling pressure on developing economies struggling with food-cost inflation.

The Ukrainian government predicts that there will be 25% less land planted this spring than usual, though some experts say that forecast is too optimistic.

John Rich, executive chairman of MHP, one of Ukraine's biggest grain exporters, said planting could be "down significantly more."

He said MHP is able to plant because its land is in safer parts of Ukraine and the company had fuel and fertilizer stockpiles. But several other large competitors can't plant, while smaller farmers don't have the same supply cushions, he said.

Green Square Agro Consulting, a crop-forecasting company, expects Ukrainian grain yields to be down 30% to 40% this year.

The destruction of agricultural infrastructure also could do lasting damage to the economy of Ukraine, where farming accounted for 14% of gross domestic product in the third quarter of last year.

The European Bank for Reconstruction and Development estimates that the territory in Ukraine most directly affected by the fighting accounts for 60% of the country's annual economic output. It says about one-third of Ukrainian businesses have suspended operations.

"Even in the optimistic scenario of reconstruction going into full swing, it is still going to be a much poorer country simply because a lot of stock has been destroyed," said Beata Javorcik, the EBRD's chief economist.

Before the war, 398 people worked at Chornobaivske; now Mr. Chirkov has just 20 employees, who come on foot from nearby villages. Farmers across Ukraine have said workers have left for other countries or to join the fight.

Mr. Chirkov said he tries to reason with Russian soldiers stationed nearby. "To explain that we are ordinary people working . . . I tried to explain it to them several times," he said.

"They just watch," Mr. Chirkov added.

[License this article from Dow Jones Reprint Service](#)

IN i0100121 : Poultry Farming | i4123 : Poultry Processing | i0 : Agriculture | i01001 : Farming | i41 : Food/Beverages | i412 : Animal Slaughtering/Processing | icnp : Consumer Goods | ifood : Food Products | ilsfarm : Livestock Farming

NS cpsrdi : Product/Service Disruptions | gvio : Military Action | ccat : Corporate/Industrial News | cexpro : Products/Services | gcat : Political/General News | gcns : National/Public Security | grisk : Risk News

RE ukrn : Ukraine | russ : Russia | eurz : Europe | asiaz : Asia | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe | ussrz : CIS Countries

IPC	GMA
PUB	Dow Jones & Company, Inc.
AN	Document J0000000020220409ei490001j

HD The Ukraine Crisis: Russia Cuts Rate as Its Financial System Stabilizes

BY By Paul Hannon and Yuliya Chernova

WC 482 words

PD 9 April 2022

SN The Wall Street Journal

SC J

PG A5

LA English

CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

Russia's central bank cut its key interest rate following an unscheduled meeting of policy makers Friday, a sign that efforts to stabilize the country's financial system are having an effect.

In a statement announcing the reduction in the key rate to 17% from 20%, the Bank of Russia said the ruble's rebound from sharp losses in the days immediately following the Feb. 24 invasion had reduced the risk that inflation would move sharply higher.

TD

"The latest weekly data point to a noticeable slowdown in the current price growth rates, including owing to the ruble's exchange rate dynamics," the central bank said.

Even with Friday's cut, borrowing costs remain far above where they were before Russia invaded Ukraine. The central bank more than doubled its key rate to 20% on Feb. 28 as it scrambled to support the ruble after seeing Western governments freeze nearly half of its foreign-exchange reserves.

The central bank noted that Russians have returned some of the money they withdrew from the country's banks in the days after the invasion. The central bank has imposed capital controls that stop Russians from moving their money out of the country.

"Financial stability risks are still present, but have ceased to increase for the time being, including owing to the adopted capital control measures," the central bank said.

The campaign to isolate Russia financially over the war has blacklisted most of Russia's largest banks.

"It could be construed as a demonstration that financial stability concerns have abated given the timidity of sanctions," said Gabriel Sterne, an economist at Oxford Economics, referring to the rate cut.

While the rate cut is a sign that the bank can begin to dial back its most extreme emergency measures, Russia's economy still faces what economists predict will be a brutal recession.

Surveys of activity in Russia's manufacturing and services sectors pointed to sharp declines in activity during March, as well as job cuts and shrinking order books.

The central bank's policy makers hadn't been scheduled to review their interest-rate policy until April 29. The Bank of Russia's readiness to move earlier suggests growing confidence that the moment of greatest threat to the stability of the banking system likely has passed.

Even after the cut, the central bank's key interest rate remains high by international standards. Among the Group of 20 largest economies, only Argentina has a higher central bank rate -- 44.5% -- and only Turkey is close with a 14% key rate. The ruble weakened 2% against the dollar after the bank cut its key policy rate. It traded at 80 rubles to \$1, still about the level it was at before the Feb. 24 invasion.

[License this article from Dow Jones Reprint Service](#)

CO rosgos : Central Bank of the Russian Federation

IN ibnk : Banking/Credit | ifinal : Financial Services

NS e1202 : Interest Rates | e12 : Monetary Policy | ecat : Economic News | e1201 : Central Bank
Intervention | m131 : Money Markets | m13 : Money/Currency Markets | mcat : Commodity/Financial
Market News | ncat : Content Types | nfact : Factiva Filters | nfce : C&E Exclusion Filter

RE russ : Russia | ukrn : Ukraine | asiaz : Asia | bric : BRICS Countries | devgcoz : Emerging Market
Countries | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe | eurz : Europe | ussrz :
CIS Countries

IPC IGV

PUB Dow Jones & Company, Inc.

AN Document J000000020220409ei490001m

THE WALL STREET JOURNAL.

CLM World News
SE World
HD **To Raise Money for [Ukraine](#), People Are Getting Creative: Videogames, Chocolate Eggs, Legos; Individuals and companies turn to less traditional forms of fundraising as they seek to aid those affected by [Russia's invasion of \[Ukraine\]\(#\)](#)**
BY By Joseph Pisani
WC 978 words
PD 9 April 2022
ET 19:30
SN The Wall Street Journal Online
SC WSJO
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

Seeing the [destruction in Ukraine](#) made Chris Hunter want to do something to help. So he made a videogame. Emma Baravelli turned to chocolate to pitch in. Joe Trupia made custom Legos.

From individuals to corporations, people are finding creative ways to raise money to aid Ukrainians after seeing videos and images of [Russia's invasion of the country](#) and the [millions of refugees](#) fleeing their homes. They are using their skills and trying to get attention online to boost the amount of cash they can raise.

TD

SHARE YOUR THOUGHTS

What organizations have you supported to help the people of Ukraine? Join the conversation below.

Overall, more than \$1.3 billion in grants and public corporate pledges have been made to aid in the crisis since Russia invaded Ukraine on Feb. 24, [according to Candid](#), a nonprofit that tracks fundraising. That total doesn't include individual donations or other grass roots methods.

Millions of dollars were sent to Airbnb Inc. hosts in the country by [people booking homes](#) they had no intention of staying in. Epic Games Inc. committed [proceeds from its popular online videogame Fortnite](#) to humanitarian-relief funds.

Jen Shang, a philanthropic psychologist and co-founder of the Institute for Sustainable Philanthropy, said people are hungry to do something that uplifts them after being isolated for two years because of the Covid-19 pandemic.

"It's almost as if people need to do things that are lightheartedly creative and gently outside of the box to cheer themselves up," she said.

The efforts have been wide-ranging. Mr. Hunter, a videogame developer in Sydney, spent a week creating "Farmers Stealing Tanks," a computer game where [players drive a Ukrainian tractor](#), collect abandoned Russian tanks and bring them to a shed to earn points. He said he wanted the game to be shared online so people would see the links to charities while they played and donate money.

"I'm trying to make some difference," he said.

A traditional Ukrainian folk song plays in the background. Drinking a bottle of virtual Nemiroff, a Ukrainian vodka brand, makes players move faster. Blue and yellow confetti, the colors of the Ukrainian flag, shoot up when there is a win.

Mr. Hunter posted a link to "Farmers Stealing Tanks" on Reddit in early March and it was [shared by a Twitter account](#) with eight million followers associated with hacking group Anonymous. That helped the game get 50,000 page views a day at one point.

The donations were modest: [SupportUkraine.Art](#), which sells T-shirts, mugs and other items, said the game brought in about \$2,100 in four days, with roughly half donated to charities.

Rex Brynen, a political-science professor at McGill University in Montreal, who studies games created in wartime, likened "Farmers Stealing Tanks" to a modern version of a bake sale.

"If there are thousands of people doing that, it adds up," he said.

Others, like Ms. Baravelli, took to chocolate.

Last month, she went to work on a 2-foot tall hollow chocolate egg, spending three days making the shell out of white and milk chocolate. One side of the 22-pound egg is painted blue and yellow with edible paint. On the other side she painted Ukrainian crops and sunflowers.

She co-owns Baravelli's, a chocolate shop in Conwy, England, with her husband, Mark Baravelli. They had hoped the egg would [help them raise £1,000](#), or about \$1,300, for the British Red Cross. They reached that goal in seven hours, thanks to a [video of the egg spinning](#) posted on the shop's Instagram page.

The couple now hope to raise £5,000 by April 19, when a drawing will be held to give the egg to someone who donated.

"We can't obviously go over there and help fight," Ms. Baravelli said. "I'd probably be more of a hindrance than a help."

The farthest donation came from Canada. Ms. Baravelli doesn't know how she'll get the egg across the Atlantic Ocean if that person wins. "That would be a logistical nightmare," she said.

And for Mr. Trupia, it was images of the [more than four million Ukrainian refugees](#) that compelled him to do something to help.

"I heard of other people doing things, like bakers who were making Ukrainian flag cookies," said Mr. Trupia, owner of Citizen Brick, a Naperville, Ill.-based company that makes custom Lego sets and pieces. "It just felt like, what could we do that was in our wheelhouse?"

Citizen Brick sold \$100 figurines last month made of Lego pieces built to look like Ukrainian President Volodymyr Zelensky wearing a green outfit. Lego pieces made to look like a Molotov cocktail were sold separately for \$10. Citizen Brick initially raised \$16,000.

But after a Ukrainian-focused Instagram account with 851,000 followers posted about the figurines last month, orders rushed in. Altogether, [more than \\$145,000](#) was raised last for Direct Relief, a charity that delivers medical aid.

Mr. Trupia has run out of Lego pieces to make the figurine and Molotov cocktail, and he doesn't plan to make more. It was the first time the 12-year-old company raised money for charity.

One order came from Ukraine, but Mr. Trupia said he was unable to send it because delivery companies had stopped servicing the country because of the invasion.

"I'm holding on to that one," said Mr. Trupia, "hopefully for the future when this conflict is over."

Write to Joseph Pisani at joseph.pisani@wsj.com

[To Raise Money for Ukraine, People Are Getting Creative: Videogames, Chocolate Eggs, Legos](#)

CO airbab : Airbnb, Inc.

IN i3302 : Computers/Consumer Electronics | i330202 : Software | i4941 : Dolls/Toys/Games | i66 : Lodgings/Restaurants/Bars | i665 : Lodgings | icnp : Consumer Goods | icph : Computer Hardware | iint : Online Service Providers | ilea : Leisure/Arts/Hospitality | ilgood : Leisure/Travel Goods | itech : Technology | icomp : Computing

NS gcha : Charities/Philanthropy | ccat : Corporate/Industrial News | gvio : Military Action | ncolu : Columns | gcat : Political/General News | reqla : Suggested Reading Leisure/Arts | gcns : National/Public Security | gcom : Society/Community | grisk : Risk News | ncat : Content Types | redit : Selection of Top Stories/Trends/Analysis | reqr : Suggested Reading Industry News

RE russ : Russia | ukrn : Ukraine | asiaz : Asia | easiaz : Eastern Asia | eurz : Europe | uk : United Kingdom | ussrz : CIS Countries | apacz : Asia Pacific | bric : BRICS Countries | devgcoz : Emerging

Market Countries | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe | weurz : Western Europe

IPD Wires

IPC EPGI.XX

PUB Dow Jones & Company, Inc.

AN Document WSJO000020220409ei490018h

HD The Ukraine Crisis: Global Food Prices Reach Record High Amid Conflict

BY By Alistair MacDonald and Patrick Thomas

WC 718 words

PD 9 April 2022

SN The Wall Street Journal

SC J

PG A7

LA English

CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

Global food prices hit a record high in March, the United Nations said Friday, as the war in Ukraine threatens food shortages in some of the world's poorest countries and deeper inflation challenges for Western food manufacturers.

The war has disrupted Ukraine's prodigious exports of wheat, sunflower oil and other produce, and impacted food exports from Russia, upending a part of the world that has become increasingly important to feeding a growing global population.

TD

The absence of produce from the region also is lifting the prices of commodities produced elsewhere as countries and companies seek alternatives to their usual supplies. Higher grain prices in particular also threaten a knock-on impact on beef and other meat as producers rely heavily on grain to feed livestock and poultry. The higher costs mean some of the largest food companies in the U.S. will likely continue to raise prices on consumers, analysts say.

The U.N. Food and Agriculture Organization said Friday that its Food Prices Index -- a measure of the most commonly traded food commodities -- rose 12.7% to hit 159.3 points last month, up from a previous high of 141.4 in February. The March reading is the highest since the index was developed in 1990.

Much of the rise has been driven by higher grain prices. The FAO's cereal index rose more than 17% month-on-month, boosted by uncertainty surrounding grain exports from Russia and Ukraine. The two countries accounted for 30% of global wheat exports and 20% of corn over the last three years, the FAO said. They also produce a large proportion of the world's sunflower oil, eggs and other agricultural produce.

The FAO also said vegetable oil prices were up 23.2%, sugar had gained 6.7% and meat was 4.8% higher.

Russia's invasion of Ukraine has closed off the Black Sea ports that funnel much of the produce grown in the region around the world. Experts fear the impact of the war could be long lasting, as the fighting churns up farmland, smashes infrastructure and deprives farmers of fuel and fertilizers, which likely would reduce future crop yields. Many workers have also left the country.

Andrii Gogolov, whose farm is in a part of southern Ukraine occupied by Russian forces, said he is unable to export produce. He also said he probably wouldn't grow any corn this season because of damage to the local irrigation system.

"This is a disaster for Ukrainian farming," he said.

The Ukrainian government predicts that there will be 25% less land planted this spring than usual, though some experts say that is optimistic. "If it is only 25% I would be amazed," said John Rich, executive chairman of MHP, one of Ukraine's biggest grain exporters.

Higher agricultural commodity prices are a windfall for big agricultural companies like Bunge Ltd. and Archer Daniels Midland Co. that buy and transport crops, analysts say.

U.S. farmer cooperative CHS Inc., which has a large grain-trading business, has said it swung back to profit in the quarter ended Feb. 28. "Strong demand combined with global market volatility contributed to higher earnings," said Chief Executive Jay Debertin.

Shares of ADM and Bunge are up about 40% and 25%, respectively, this year.

For food producers that rely on grain and meat as ingredients for their products, though, higher commodity prices add to existing inflationary pressures amid rising costs for fuel and labor.

Conagra Brands Inc. said surging inflation in ingredients and trucking is pushing the company to raise prices again. The food manufacturer has lifted prices for its products over the past year, citing higher supply-chain costs arising from the pandemic and the war.

So far, though, Conagra said U.S. shoppers don't appear deterred by higher prices for its products. The company said its sales volumes at supermarkets have remained strong.

Higher food prices are most likely to have an outsized impact on the world's developing countries, analysts say. Egypt and Indonesia are the largest buyers of Ukrainian wheat, each accounting for more than 15% of Ukraine's wheat exports, said Trade Data Monitor.

[License this article from Dow Jones Reprint Service](#)

CO utdnat : United Nations

IN ifood : Food Products | i41 : Food/Beverages | icnp : Consumer Goods

NS e1118 : Trade Figures | c314 : Pricing | mveoil : Vegetable Oil Markets | neqac : Equities Asset Class News | gvio : Military Action | c31 : Marketing | ccat : Corporate/Industrial News | e11 : Economic Performance/Indicators | e51 : Trade/External Payments | ecat : Economic News | gcat : Political/General News | gcns : National/Public Security | grisk : Risk News | m14 : Commodity Markets | m141 : Agricultural Commodity Markets | mcat : Commodity/Financial Market News | medoil : Edible Oils Markets | mgroil : Grains/Edible Oils Markets | ncat : Content Types | nfact : Factiva Filters | nfce : C&E Exclusion Filter | nfcpin : C&E Industry News Filter

RE ukrn : Ukraine | russ : Russia | usa : United States | asiaz : Asia | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe | eurz : Europe | namz : North America | ussrz : CIS Countries

IPC ABO

PUB Dow Jones & Company, Inc.

AN Document J000000020220409ei490002n

HD **The Ukraine Crisis: Germany Prodded by the West To Bolster Response To Moscow**

BY By Bojan Pancevski

WC 667 words

PD 9 April 2022

SN The Wall Street Journal

SC J

PG A5

LA English

CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

BERLIN -- Germany is coming under pressure from Western allies to beef up its response to Russia's aggression, accept stronger sanctions against Moscow and send more weapons to Ukraine.

The U.S. and its closest allies in Europe are concerned that after an initially robust response, Berlin's resolve in opposing Russia is seen as wavering because of economic concerns and skepticism that Ukraine can win the war. Some also think Berlin fears additional help for Ukraine and sanctions against Russia could undermine diplomatic efforts to end the conflict.

TD

CIA Director William Burns met with aides to German Chancellor Olaf Scholz last month on a confidential visit, a U.S. diplomat said, aimed to ensure that Berlin keeps up the pressure on Vladimir Putin.

Ukraine, Poland, the U.K. and others have been particularly critical of Germany's refusal to sanction Russia's oil and gas sector and to provide offensive weapons to Ukraine.

"It's Germany that is the main roadblock on sanctions," Poland's Prime Minister Mateusz Morawiecki has said. "It is not the voices of German businesses that should be heard aloud in Berlin today. It is the voice of these innocent women and children."

Ukraine's foreign minister has said Germany could do more to send weapons to his country.

Germany is part of a minority of European Union members, alongside Austria and Hungary, that are opposing curbs to Russian gas and oil imports, according to politicians and diplomats. Italy, the other large EU country in this camp, dropped its opposition after large numbers of dead civilians were found in the wake of departing Russian troops around Kyiv, diplomats said.

A Berlin spokesman said Germany is working with partners to strengthen the sanctions against Russia and that it would continue sending military aid to Ukraine.

German officials have long said they only would send defensive weapons to Ukraine, instead of offensive hardware such as tanks or jets. Several officials noted that the current government swept aside a taboo in German politics against shipping lethal weapons into a conflict zone. Germany has delivered thousands of hand-held missiles and 14 armored vehicles.

In recent days, that position has started to shift amid international pressure, according to one aide to the chancellor who said Germany might ship some tanks, although there hasn't been any deal yet.

While German public opinion has been overwhelmingly supportive of Ukraine, rising fuel and energy prices have dented the government's popularity, polls show, suggesting a limited appetite for sacrifices to support Ukraine.

Before the war started Feb. 24, Germany was receiving over half of its gas and a quarter of its oil from Russia. Germany has said it would end Russian coal imports by the summer, oil imports by the end of the year, and gas imports by 2024.

EU officials said they are hoping German public opinion would compel Mr. Scholz into allowing an embargo amid more evidence of Russian atrocities.

So far, Germany has sent Ukraine hand-held antitank and anti-aircraft missiles, as well as armored vehicles, ammunition and protective equipment. Germany's foreign and defense ministers have said German armed forces, depleted after decades of underfunding, can't spare more weapons.

A senior Defense Ministry official said Germany has many more mothballed weapons systems, including tanks and multiple rocket launchers, that it could send to Ukraine. "The political will is not there yet," the official said.

On Wednesday, Defense Minister Christine Lambrecht told parliament that Germany would deliver more weapons but wouldn't mention the shipments publicly as requested by Ukraine. Ukraine's ambassador to Germany Andriy Melnyk denied making such a request. He said he had supplied a list of demands to the government and that constant refusals and protracted decision-making has forced him to go directly to arms manufacturers.

"I have become an arms dealer," Mr. Melnyk said.

[License this article from Dow Jones Reprint Service](#)

NS gdip : International Relations | gcat : Political/General News | gvexe : Executive Branch | gesanc : International Sanctions | gvio : Military Action | gcns : National/Public Security | gpir : Politics/International Relations | gpol : Domestic Politics | grisk : Risk News | gvbod : Government Bodies

RE gfr : Germany | ukrn : Ukraine | eurz : Europe | pol : Poland | russ : Russia | usa : United States | asiaz : Asia | bric : BRICS Countries | dach : DACH Countries | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eecz : European Union Countries | eeurz : Central/Eastern Europe | namz : North America | ussrz : CIS Countries | weurz : Western Europe

IPC CIA

PUB Dow Jones & Company, Inc.

AN Document J000000020220409ei490001n

HD The Ukraine Crisis: Sanctions Expand, But Key Gaps Remain

BY By Patricia Kowsmann

WC 793 words

PD 9 April 2022

SN The Wall Street Journal

SC J

PG A5

LA English

CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

Waves of Western sanctions targeting Russian banks are hampering the country's ability to conduct business, but efforts continue to be constrained by Europe's reliance on Russian oil and gas.

The campaign to isolate Russia financially over the war in Ukraine has blacklisted most of Russia's largest banks and taken aim at oligarchs. It also has targeted President Vladimir Putin's daughters, with the U.K. on Friday saying it would join the U.S. and European Union by freezing any assets they have in the country and subjecting them to travel bans.

TD

The EU on Friday also blacklisted four banks already banned from the Swift global- payments system, including Russia's second-largest bank, VTB, according to diplomats. VTB had been sanctioned in the U.S. and the U.K.

But some big lenders and many small ones so far have been spared. Most Russian banks also continue to be connected to Swift, a financial-messaging infrastructure that links them to other banks around the world. That has left open a link to Asia and the Middle East, where Russia mostly has been free from sanctions, and has avoided a major disruption of energy supplies to Europe.

"It's both extraordinary and groundbreaking the amount of sanctions imposed. But in many aspects, it is the tip of the iceberg," said John Smith, a partner at law firm Morrison & Foerster in Washington, D.C., and former director in the Treasury's Office of Foreign Assets Control. The Ukrainian government is one of his clients.

In the latest round of sanctions, the U.S. and the U.K. ordered a full blockage of Sberbank, Russia's largest bank, which holds about a third of all banking assets. They also cut off Russia's largest privately owned lender, Alfa Bank. Altogether, more than a dozen Russian banks have been blacklisted by at least one of the Western countries since the start of the war. The U.K. has fully sanctioned all the largest ones.

But holes remain. Several dozen Russian banks, although small, haven't been sanctioned. The U.S. so far hasn't targeted Gazprombank, a lender that has done business with close associates of Mr. Putin and has been embroiled in money-laundering troubles in Europe.

The EU also hasn't touched the bank, and so far has held off on sanctioning Sberbank. European diplomats say the two lenders are a conduit to payments for Russian oil and gas, which member countries rely heavily on for energy consumption. The EU imports more than \$900 million of Russian oil and gas daily, says Simone Tagliapietra, a senior fellow at the Bruegel think tank in Brussels. Russian coal, which the EU will stop buying, accounts for \$16 million in daily revenue for the country.

"Europe's key weakness is a lack of geopolitical or risk perspective on energy policy, at national or at EU level," said Karel Lannoo, chief executive of the Center for European Policy Studies, a Brussels think tank. "We are so bought into the system."

The EU's asset freeze on four Russian banks was part of a fifth round of sanctions the bloc has imposed on Russia since its invasion of Ukraine.

The latest measures include a ban on Russian coal imports, a range of export bans and the addition of dozens of sanctions targeted at prominent individuals, officials said. The bloc imposed import bans including on Russian vodka and caviar.

A spokesman for the EU's executive arm, the European Commission, said its sanctions are targeted at banks that most closely cooperate with the Kremlin. As the commission worked on the latest round of sanctions this past week, a group of more than 200 lawmakers in the European Parliament called for all Russian banks to be disconnected from Swift, claiming anything less would be a weak response to the killing of civilians.

"Progressive packages of sanctions with an autocrat doesn't work," said Guy Verhofstadt, a former Belgian prime minister who signed the letter. He said the latest round of EU sanctions are "ridiculous."

Sanctions experts and officials say the measures are having a real effect.

"The comprehensive financial sanctions on Russia and Russian businesses and oligarchs are beginning to produce the intended effect of isolating Russia from the global financial system," said Lisa Ledbetter, a financial industry partner at law firm Reed Smith and a former attorney at the U.S. Treasury.

Russia is struggling to import goods and materials, disrupting its supply chain and slowing its economy. The European Bank for Reconstruction and Development expects its economy to contract 10% in 2022 and suffer prolonged stagnation.

[License this article from Dow Jones Reprint Service](#)

CO euruno : European Union

IN i814 : Banking | ibnk : Banking/Credit | ifinal : Financial Services

NS gesanc : International Sanctions | gcat : Political/General News | gtrade : Trade Barriers/Restrictions | neqac : Equities Asset Class News | reqrbc : Suggested Reading Banking/Credit | e51 : Trade/External Payments | ecat : Economic News | gdip : International Relations | gpri : Politics/International Relations | ncat : Content Types | nfact : Factiva Filters | reit : Selection of Top Stories/Trends/Analysis | reqr : Suggested Reading Industry News

RE russ : Russia | ukrn : Ukraine | eurz : Europe | uk : United Kingdom | usa : United States | asiaz : Asia | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcos : Developing Economies | eeurz : Central/Eastern Europe | namz : North America | ussrz : CIS Countries | weurz : Western Europe

IPC ABO

PUB Dow Jones & Company, Inc.

AN Document J000000020220409ei490001I

HD **REVIEW --- The Emerging Battle for Clean-Energy Commodities --- As **Russia**'s isolation disrupts global oil and gas markets, the U.S. must focus on securing the minerals necessary for wind, solar and electric.**

BY By Gerald F. Seib

WC 1,357 words

PD 9 April 2022

SN The Wall Street Journal

SC J

PG C3

LA English

CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

For much of the 20th century, geopolitics was shaped by the struggle for oil. Now it's becoming ever more clear that geopolitics in the 21st century will be shaped by the struggle to move away from oil.

This transition was bound to happen anyway because of concerns about climate change, but Vladimir Putin's invasion of Ukraine, by revealing the perils of Western dependence on Russian oil and gas, now figures to kick it into overdrive. In the short run, these shifts mostly involve creating new patterns for moving old-fashioned fossil fuels around the planet and even for extracting more of them during this crisis.

TD

In the medium to long term, however, the jolt of Ukraine will almost certainly accelerate the global move away from oil. That shift will have a profound impact on international relationships, reducing the importance of old petro-based ties while making new connections necessary.

In particular, the U.S. and other Western nations face the risk that they will merely replace their onetime dependence on foreign oil and gas sources with a new dependence on China for the critical minerals needed to produce electric vehicles and other renewable energy technologies. Avoiding that outcome, as well as other land mines along the way, will require new, farsighted policies, wise diplomacy and smart investments by the private sector.

America's foreign-policy thinkers will increasingly have to take into account the geopolitical importance of Chile's copper and Australia's lithium, not just Saudi Arabia's oil. The U.S. and China will compete for access to the giant cobalt reserves of the distant Democratic Republic of Congo. Domestically, traditional policy debates over tax and regulatory advantages given to the oil-and-gas industry are going to give way to arguments over what kind of help to give companies that mine critical minerals and produce batteries, solar panels and wind turbines.

Mr. Putin is prompting the West to face up to these challenges by doing something truly remarkable: He has undercut Russia's best market, which is Europe, for virtually the only product his country produces that the rest of the world wants, which is oil and gas. This may give him some political leverage today, but it creates a giant incentive for the world to stop using so much of what he has to sell and, over time, will diminish its value.

The pivot to a new path won't be quick or easy. Europe's immediate reaction has been to keep buying Russian gas for now while finding new sources of old fuels by, for example, building terminals in Germany to receive American liquefied natural gas. But the European Union also has released a new energy strategy called REPowerEU, a plan to make the EU independent of Russian fossil fuels by 2030. Among other things, it calls for member states to accelerate new wind and solar projects, increase the use of heat pumps and require more energy efficiency in buildings and industries.

Meanwhile, the European Commission has defied nuclear critics in Europe by releasing a new plan to label certain nuclear power projects as "transitional activities," meaning that they are blessed as part of a move away from fossil fuels. That gives a regulatory green light for new private investment.

In the U.S., the soaring price of gasoline since the Ukraine invasion is sending an urgent signal to consumers: Go find an electric car. Waiting lists are already growing, with wait times in some cases stretching into months. By one forecast, sales of electric vehicles and plug-in hybrids will soar 60% in the U.S. this year.

But there's a catch. Copper, lithium, nickel, cobalt, graphite and rare earth elements are all needed to produce an electric vehicle -- and China is the leading processor of all of them. It processes more than half of the world's lithium and cobalt and more than 80% of rare earth elements. Some of the minerals are also needed for producing the components of wind turbines and solar panels. Russia, too, is a large producer of nickel, cobalt and copper, in addition to aluminum and steel, which are also needed for clean-energy products.

Much of the actual mining of these minerals happens elsewhere. A majority of the world's lithium resources are in South America, for example, and Indonesia is a key source of nickel. Those relationships will assume new importance for the U.S.

But the dirty job of processing the minerals into useful materials remains focused in China. For American policy makers, this problem is already moving to the forefront. President Biden announced last week that he is using the Defense Production Act, a Korean War-era national security mobilization law that can help mining companies to develop operations for critical minerals. "We need to end our long-term reliance on China and other countries for inputs that will power the future," Mr. Biden said. "And I'll use every tool I have to make that happen."

Still, the effort is likely to be hindered by environmental concerns. A prime example is playing out right now in an isolated corner of Nevada at a place called Thacker Pass. Beneath the sagebrush lies one of the world's largest deposits of lithium, a key component for producing the batteries needed for a clean-energy transition. A mining firm has been exploring a project since 2007 but a consortium of environmentalists and tribal activists is trying to block the effort, arguing that it would destroy the landscape, consume too much water, spoil Indian artifacts and burial grounds and spew carbon dioxide into the air. Courts are in the process of deciding whether the project can go ahead, but policy makers also will have to decide whether and how to smooth the path for such mineral development in the future.

Another policy challenge is the need to encourage companies to make significant investments in fossil-fuel projects now, while also declaring that the nation's goal is to make those projects obsolete down the road. It's hard to convince a company to make a multibillion-dollar investment in a pipeline that takes 30 years to pay for itself when the U.S. has embarked on a push to make the gas it carries unnecessary in 10 years. Resistance to creating such "stranded assets" is a problem that will require some creative policy-making. It may be necessary, for instance, for government to provide incentives for the initial investment or to guarantee assistance down the road to retrofit gas pipelines to carry clean-energy hydrogen.

"My sense is we are entering a period of more government intervention in energy markets," says Meghan O'Sullivan, an energy expert who served on the National Security Council for President George W. Bush and now heads the Geopolitics of Energy Project at Harvard University's Kennedy School of Government.

It's hard to overstate the geopolitical significance of these moves. The world's reliance on oil is as responsible as anything for building the world order that has prevailed since the early 20th century. An abundance of easily extracted oil helped to build the U.S. into a global power in the first half of the 20th century. Japan's thirst for oil helped to bring about World War II. America's oil power helped it to build the economy that prevailed in the Cold War -- until a need for Persian Gulf oil changed America's strategic calculus and produced the investment of trillions of dollars and American blood in the Middle East.

Much of that infrastructure now figures to unwind in the 21st century, with long-term effects just as profound as those of the planet's long and deep thirst for oil. The transition will take decades, but Ukraine's tragedy has given it a decisive push forward.

[License this article from Dow Jones Reprint Service](#)

IN i35104 : Alternative Fuel Vehicles | i1 : Energy | i163 : Renewable Energy Generation | imet : Mining/Quarrying | i16 : Electricity/Gas Utilities | i16101 : Electric Power Generation | i351 : Motor Vehicles | iaut : Automotive | ibasicm : Basic Materials/Resources | ieutil : Electric Utilities | iutil : Utilities

NS reqrm : Suggested Reading Metals/Mining | redit : Selection of Top Stories/Trends/Analysis | reqr : Suggested Reading Industry News

RE russ : Russia | ukrn : Ukraine | usa : United States | asiaz : Asia | bric : BRICS Countries | devgcoz :
Emerging Market Countries | dypcoz : Developing Economies | eeurz : Central/Eastern Europe | eurz :
Europe | namz : North America | ussrz : CIS Countries

IPC GMA

PUB Dow Jones & Company, Inc.

AN Document J000000020220409ei490000z

HD **REVIEW --- Historical Memory Starkly Divides Ukraine from Russia --- From the 1917 collapse of the Russian Empire to the rule of Stalin, the two countries draw very different national lessons.**

BY By Serhy Yekelchuk

WC 1,243 words

PD 9 April 2022

SN The Wall Street Journal

SC J

PG C4

LA English

CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

When the residents of the Ukrainian capital woke up at 5 a.m. on Feb. 24 to the sounds of explosions and sirens, the oldest of them experienced a disquieting sense of déjà vu. They had already lived through one early-morning bombing of Kyiv that irrevocably changed their lives -- on June 22, 1941, when Hitler attacked the Soviet Union.

My parents were among those senior Kyiv residents hunkering down in apartments or rushing to bomb shelters. After 77 years of a peaceful life, once again they found themselves counting the slices of bread they had left and keeping water jars in every room in the naive hope of extinguishing fire from an enemy rocket.

TD

For almost two years the Nazi invasion turned Ukraine into the largest colony of the Third Reich, transfiguring its landscape with burial pits filled first with Ukrainian Jews and later with other murdered civilians and POWs. Democratic Ukraine has grappled movingly with this history. The largest Nazi killing field, Babyn Yar in Kyiv, now has 88 monuments large and small commemorating these groups. One is dedicated to the children of Babyn Yar and features a group of bronze toys, abandoned and broken.

Every year on Sep. 29, the Ukrainian president lays flowers at a monument shaped like a menorah to mark the day in 1941 that the slaughter of Kyiv's Jews began. A museum was under construction at Babyn Yar on March 1, when two Russian rockets landed on the edge of the site, killing five and linking the ghosts of past atrocities to the present. Near the city of Kharkiv, Russian artillery struck a Holocaust memorial and destroyed another menorah monument.

Ukraine has a traumatic 20th century to reckon with. The post-Soviet generation learns this history in school. It recognizes that the czarist empire, like Vladimir Putin's Russia, considered Ukrainians merely a regional branch of the Russian people. To make sure that Ukrainians didn't question this point, the czars banned publications in the Ukrainian language and imprisoned or exiled Ukrainian patriots. When the Russian Empire fell, a non-Bolshevik Ukrainian state briefly emerged in 1917.

Russia invaded to strangle it. Between Feb. 3 and 6, 1918, Bolshevik detachments from Russia bombarded Kyiv from across the Dnipro River, burning to the ground several landmark buildings in the city center. Once they entered the city, the Bolsheviks slaughtered thousands of city residents whose IDs were issued in Ukrainian, as well as any whom they suspected were representatives of "exploiting classes."

By 1920, the defenders of the Ukrainian republic lost that war, in large measure because Europe and the U.S. had no interest in supporting them. But their dogged fight forced the Bolsheviks to incorporate Ukraine into their new empire not as a territory but as a Ukrainian Soviet republic. This constituted recognition of Ukraine as a separate nation.

For the seven decades that followed, Ukraine's fate was tied to Russia's through the Soviet Union, with disastrous consequences. From 1932-33, Stalin engineered a genocidal famine to settle accounts with the Ukrainians. In Ukraine this is known as the Holodomor ("murder by hunger") and remembered as the defining experience of the Soviet era. After the Soviet collapse, Ukraine went its own way, not only

in building its future but also in constructing a memory of the past, with the fall of the Russian Empire celebrated as the beginning of a national revolution.

Russia, by contrast, marked the centenary of 1917 with silence. The majority of Russians still see Stalin as a great historical figure, because school textbooks give him credit for speedy industrialization and victory in World War II. Russian elites, including Mr. Putin, blame Lenin for weakening the empire, but they admire Stalin because he made the Soviet Union a world power that showed the West its place.

In Ukraine, the story of World War II is now that of a national tragedy. In Russia it is still celebrated in much the same way as in Soviet times. Military archives are tightly controlled -- no foreigners admitted -- and the Red Army's war crimes, such as the mass rape of German women, are flatly denied. Organizations and historians researching Stalinist terror face persecution. Russia at last unveiled a monument to the victims of those crimes in 2017: Mr. Putin gave a speech for the occasion that made no mention of Stalin and instead blamed the Bolsheviks.

It is natural to endorse Mr. Putin if one was taught to value Stalin. A commitment to democracy and human rights would require rejecting Stalinism decisively, the way Ukrainians did. The two Ukrainian revolutions in 2004-5 and 2013-14 created a robust civil society defined by democratic political choice rather than ethnic identity or the language spoken at home.

At first, the new Ukrainian authorities became embroiled in a memory war with Russia over World War II, idealizing the Ukrainian nationalists of that era simply because Russia besmirched them. But that view soon gave way to one holding the revolutionary battles of 1917-20 to be the true foundation of modern Ukrainian statehood. The uniforms of the Ukrainian army and the names of its regiments now echo that anti-imperial revolt.

The most powerful canon of national heroes for the new Ukraine is more contemporary: It consists of the hundred citizens killed during the revolution in 2013-14, known popularly as the "heavenly hundred," and it truly reflects Ukraine's diverse society. The revolution began with a Facebook post by an Afghan-Ukrainian journalist, and an Armenian-Ukrainian became the most recognizable face among the hundred fallen. One of the revolution's achievements is evident in the fact that the country's president is a Ukrainian Jew.

Revanchist memory can create wars, but it cannot win them. When Russian tanks rolled into Ukraine, ethnic Russians and Russian-speaking Ukrainian citizens fought back and volunteered to support their country as much as ethnic Ukrainians did. And so did Ukrainian Jews and others. They chose democracy over a latter-day authoritarian empire cloaked in Russian nationalist fantasies.

In fighting for Ukraine, they are also fighting for the freedom of those Russians who dared to protest Mr. Putin's war and for the possibility that one day Russia will become a peaceful and democratic country. If and when that day comes, a lot of painful memory work will await Russians, as they will need to come to terms with their imperial, Stalinist and Putinist past.

As for Ukraine, a new generation of children will have slept in bomb shelters and been forced to abandon their ruined homes. The wounds will take a long time to heal. My mother is still afraid of German shepherds because the German police used them in Nazi-occupied Kyiv. German bombers tried to strike the train taking my grandmother and my father, age 6, out of Kyiv. They missed, but my father has stuttered ever since. He still stutters today when he tells me about the Russian rockets hitting Kyiv early in the morning.

Mr. Yekelchik is professor of Slavic studies and history at the University of Victoria. He is the author of "Ukraine: What Everyone Needs to Know," published by Oxford University Press.

[License this article from Dow Jones Reprint Service](#)

IN i8396 : Diversified Holding Companies | ibcs : Business/Consumer Services

NS gvio : Military Action | gcat : Political/General News | gcns : National/Public Security | grisk : Risk News

RE ukrn : Ukraine | russ : Russia | asiaz : Asia | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcos : Developing Economies | eeurz : Central/Eastern Europe | eurz : Europe | ussrz : CIS Countries

IPC IGV

PUB Dow Jones & Company, Inc.

SE Letters to the Editor
HD Is It **Russia's** Czar or the West's Chauvinism?
WC 345 words
PD 9 April 2022
SN The Wall Street Journal
SC J
PG A12
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.
LP

"Putin Targeted Ukraine for Years. Why Didn't the West Stop Him?" (Review, April 2) ascribes the roots of the war to Russia's deep ambivalence about its place in the world and Mr. Putin's search for restoration of Russian greatness. Another part of why we failed to stop Vladimir Putin is that we refused to accept that Russians also are entitled to their fair share of exceptionalism and to have security concerns of their own (a la the Monroe Doctrine to keep great powers out of the Western Hemisphere).

The longer we withhold from others the legitimacy that we grant ourselves, the longer we will misdiagnose this conflict, a desperate tragedy for Ukrainians. The world is no longer unipolar, and we in the West need to address the much more threatening challenge from China.

TD

Tony Fenner-Leitao

San Francisco

Mr. Putin controls the legislatures, the courts, the military, the economy, the media and international connections. He sits apart from other leaders and makes all the decisions. Woe to those who err in his eyes.

Mr. Putin isn't restoring Soviet glory; he is re-creating czarist Russia. Just as Nicholas II claimed to rule by divine right, Mr. Putin has a messianic vision of his role in Russian history. His oligarchs may not have titles such as prince or count, but they are every bit the corrupt reincarnations of that era's nobility. Power and wealth are concentrated in those chosen favorites while Mr. Putin takes his cut.

C.E. Wray

Charlottesville, Va.

President Biden appeased Mr. Putin before, in 2021, removing the Trump administration's sanctions on the Nord Stream 2 pipeline. He also backed off on his predecessor's pressure on Germany to build LNG terminals and spend 2% of GDP on defense. These actions, along with the botched withdrawal from Afghanistan, emboldened Mr. Putin to capitalize on Mr. Biden's weakness and invade Ukraine.

Joe Considine

Westborough, Mass.

[License this article from Dow Jones Reprint Service](#)

NS gvexe : Executive Branch | gcat : Political/General News | gvio : Military Action | nlet : Letters | gcns : National/Public Security | gpri : Politics/International Relations | gpol : Domestic Politics | grisk : Risk

News | gvbod : Government Bodies | ncat : Content Types | nfact : Factiva Filters | nfce : C&E
Exclusion Filter | niwe : IWE Filter | nrgn : Routine General News

RE russ : Russia | ukrn : Ukraine | usa : United States | asiaz : Asia | bric : BRICS Countries | devgcoz :
Emerging Market Countries | dypcoz : Developing Economies | eeurz : Central/Eastern Europe | eurz :
Europe | namz : North America | ussrz : CIS Countries

IPC IGV

PUB Dow Jones & Company, Inc.

AN Document J000000020220409ei490000f

CLM REVIEW & OUTLOOK (Editorial)
HD When **Russia** Loses the U.N....
WC 685 words
PD 8 April 2022
SN The Wall Street Journal
SC J
PG A18
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.
LP

The United Nations finally did something useful regarding Vladimir Putin's war on Ukraine, as the General Assembly voted Thursday to suspend Russia from the Human Rights Council. The vote is one sign among many this week that the discovery of likely Russian war crimes in Ukraine is causing greater problems for the Kremlin.

The U.N. vote was 93-24, more than the two thirds majority needed. The practical effect is negligible, but the symbolism counts for something when Russia is barred from a Human Rights Council that includes the likes of Venezuela, Cuba and China. Apparently the Kremlin is too embarrassing as a human-rights arbiter even for the U.N.

TD

The 23 nations that voted with Russia included the usual suspects Cuba, North Korea, Syria, Iran, Belarus -- and China. "Dealing with the membership of the Human Rights Council in such a way will set new dangerous precedent, further intensify confrontation in the field of human rights, bringing a greater impact on the UN governance system, and produce serious consequences," said China's U.N. Ambassador Zhang Jun.

Translation: Beijing worries that the vote might cause someone to bring up the reeducation camps for Uyghurs in Xinjiang.

Fifty-eight countries abstained from the vote, after Russia had quietly threatened countries with retribution if they voted for suspension. The non-profiles in courage include Saudi Arabia, Indonesia, Mexico and Jordan.

Kuwait deserves special dishonorable mention for abstaining. Have its leaders forgotten how the U.S. rescued them from Saddam Hussein's dungeons in 1991? India also continues its moral and strategic fence-sitting in this war, which gets harder to defend as Russia's barbarism becomes obvious.

On that point, evidence is building that Russia's brutality is deliberate. Der Spiegel, the German magazine, reported that German intelligence intercepted radio traffic from Russian soldiers operating north of Kyiv, near Bucha where mass graves were discovered.

Sources told the magazine that the intercepts indicate "that the murder of civilians has become a standard element of Russian military activity, potentially even part of a broader strategy. The intention is that of spreading fear among the civilian population and thus reducing the will to resist." This comports with the Russian strategy of indiscriminate bombing of Ukrainian cities.

The atrocities are increasing Western support for more sanctions on Russia -- and more weapons for Ukraine. The European Union approved new sanctions on Thursday that include a phase-out of Russian coal imports and blocking Russian ships from EU ports. Germany and other countries can find ready substitutes for Russian coal, even if it takes time.

But the shame is that the EU still won't ban the import of Russian oil and gas. This means that each day Europe is subsidizing Russia's war by financing the Kremlin. If a ban is too much, the EU should at least put payments for Russian energy into an escrow account until Mr. Putin ends his war, as our Holman Jenkins has suggested.

The U.S. Senate also moved Thursday to provide more help to Ukraine by passing a "lend lease" law that will let the Pentagon expedite the delivery of military equipment and other supplies to Ukraine. It also allows for the equipment to be delivered as a gift for now, with a promise to repay at a later date. Let's hope the House passes the bill quickly.

Ukraine won the battle of Kyiv, but the battle for the Donbas in the east is likely to be even more savage. Ukraine knows that if Mr. Putin occupies a quarter or so of the country, he can freeze the conflict and re-arm for future attacks. He may also be planning an assault on the port city of Odessa to cut all of Ukraine from access to the Black Sea.

This war could be long, and the West's resolve will have to match Mr. Putin's brutality.

(See related letter: "Letters to the Editor: When the World Stood By: Hungary in 1956" -- WSJ Apr. 14, 2022)

[License this article from Dow Jones Reprint Service](#)

CO utdnat : United Nations

NS gdip : International Relations | gcat : Political/General News | gvexe : Executive Branch | ghum : Human Rights/Civil Liberties | gvio : Military Action | ncolu : Columns | gcns : National/Public Security | gcom : Society/Community | gpir : Politics/International Relations | gpol : Domestic Politics | grisk : Risk News | gvbod : Government Bodies | ncat : Content Types

RE russ : Russia | ukrn : Ukraine | asiaz : Asia | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe | eurz : Europe | ussrz : CIS Countries

IPC IGV

PUB Dow Jones & Company, Inc.

AN Document J000000020220408ei4800010

THE WALL STREET JOURNAL.

CLM Politics and Policy
SE Politics
HD **Congress Punts on Funding Vaccines, Treatments as Covid-19 Hits Some Lawmakers; In hectic week, lawmakers approved [Russia](#) trade bills but couldn't resolve border-policy dispute tied to coronavirus bill**
BY By Natalie Andrews and Eliza Collins
WC 1,170 words
PD 9 April 2022
ET 02:42
SN The Wall Street Journal Online
SC WSJO
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

WASHINGTON—Rep. Ami Bera arrived in Washington on Monday, eager to work on bills focusing on Covid-19 preparedness and Russia trade relations and then fly to Asia at the end of the week with House Speaker Nancy Pelosi.

Instead, the California Democrat was bitten by a rabid fox loose on the grounds of the Capitol and spent that evening in the hospital getting shots. The pandemic aid bill bogged down in the Senate. And his Asia trip was canceled after Mrs. Pelosi tested [positive for Covid-19](#), as the virus swept through Congress. But Mr. Bera did return to the floor to help pass bills punishing Moscow on trade.

TD

"A strange week!" he said, calling it one of the weirdest of his congressional career.

In the frenzied run-up to the Easter recess, lawmakers managed to quickly move the trade legislation and get it to President Biden's desk. [The Senate confirmed](#) Judge Ketanji Brown Jackson to the Supreme Court, fulfilling Democrats' vow to approve her before the break. But lawmakers left town without approving [a bipartisan deal](#) to repurpose \$10 billion in funds for Covid-19, which the White House has said is needed urgently to secure new vaccines, tests and treatments.

On Russia, lawmakers scored [a breakthrough on legislation](#) to end its most-favored-nation trade status, after the measure had been stalled over disagreements in language related to human-rights violations, among other provisions. The Senate voted 100-0 on Thursday on bills backing Mr. Biden's oil-import ban and stripping Russia's trading status. The House followed suit, with near-unanimous votes as well.

Senators had also hoped to move forward on the coronavirus vaccines and treatments package, but progress quickly bogged down over Republican efforts to amend the bill to extend [a pandemic-era immigration policy](#) called Title 42—which allows Border Patrol agents to quickly turn away migrants at the southern border—with some Democrats siding with the GOP. Senators said they ran out of time, and the break could help end the logjam, even if it means the aid will need to wait at least several weeks.

"We'll see where the discussions go, but my assumption is during the course of the break they'll be some conversations between people who are interested in advancing it and see if we can make any headway on coming up with a process," said Sen. John Thune (R., S.D.) on the Covid aid.

"I don't think we're leaving anything hanging up in the air that we're not going to be able to continue to work with afterwards," said Sen. Angus King (I., Maine), who caucuses with Democrats.

Senators are also working on an agreement to move forward with a bill aimed at shoring up domestic supply chains, particularly for domestic semiconductor manufacturing, and [boosting U.S. competitiveness](#) with China and other nations. Both chambers have passed a version of the legislation, and senators are still trying to negotiate on the procedural efforts to move to a conference committee, according to aides.

"I want to get Competes done," said Majority Leader Steny Hoyer (D., Md.), referring to the name of the bill in the House. The House and Senate have named negotiators and informal conversations could start in the recess.

Covid aid, meanwhile, has hit a series of hurdles. Democratic leaders' previous efforts to secure money for vaccines and treatments derailed last month when a deal to fund \$15.6 billion in aid with repurposed state funds foundered on objections from rank-and-file members. Lawmakers then agreed to cut the size of the package to \$10 billion and tapped other funds previously allocated by Congress.

This time, immigration politics are complicating the Covid aid bill's path to Mr. Biden's desk, after the president announced the administration would end the Title 42 border policy as of May 23. The policy allows the government to immediately turn away people who are arrested trying to enter the country illegally as well as those who seek asylum at a border checkpoint.

Republicans criticized the administration's decision, saying it could lead to a surge in [crossings and asylum claims](#) that would overwhelm border officials. They were joined by several Democrats, some facing difficult reelections, who said they also oppose the administration's move to lift the policy.

GOP lawmakers sought to force a vote on a Title 42 amendment to the Covid package, while bipartisan groups in both chambers introduced legislation Thursday that would prevent the Biden administration from ending Title 42 until the pandemic was declared over.

SHARE YOUR THOUGHTS

What do you think is the prospect for passing a Covid-19 vaccine and treatment bill? Join the conversation below.

"I don't think they should be linked, but that's not often how things happen around here," said Sen. Jon Tester of Montana, one of the Democrats co-sponsoring the bipartisan immigration bill.

Republicans blocked a Democratic effort to move the Covid-aid legislation forward Tuesday absent a plan on how the bill would be amended. Sen. Mitt Romney of Utah, the lead GOP negotiator of the coronavirus legislation, told reporters that Democrats need to allow the amendment process to take place.

Senate Majority Leader Chuck Schumer hasn't detailed next steps for the Covid bill, but the New York Democrat has been a vocal opponent of the Title 42 policy and supported the administration's decision to end it.

"A lot of things could move a lot quicker around here," said Sen. Raphael Warnock (D., Ga.), one of the Democrats who has criticized the Biden administration's decision to get rid of Title 42 but who hasn't said if he would support an amendment to the Covid bill. "We need to get Covid relief done," he said.

Even if an immigration bill did pass the Senate, it would face uncertainty in the Democratic-led House.

The deadlock on the Covid bill came amid a new surge of cases on Capitol Hill. Late Thursday, Mr. Warnock said he tested positive for Covid-19. Aside from Mr. Warnock and Mrs. Pelosi, other lawmakers to test positive in recent days include Assistant Speaker Katherine Clark (D., Mass.), Rep. Peter DeFazio (D., Ore.) and Sen. Susan Collins (R., Maine).

Mr. Bera, who fought off the now-euthanized fox with an umbrella until Capitol Police came to his aid, said he is feeling alright and hoping the two-week break will rejuvenate Congress.

"As we go into the Easter week, let's pray for better days ahead of us," he said.

Write to Natalie Andrews at Natalie.Andrews@wsj.com and Eliza Collins at eliza.collins+1@wsj.com.

[Congress Punts on Funding Vaccines, Treatments as Covid-19 Hits Some Lawmakers](#)

CO uscong : United States Congress

NS gsars : Novel Coronaviruses | gcat : Political/General News | gout : Outbreaks/Epidemics | gvuph : Upper House | c13 : Regulation/Government Policy | gimmu : Immunizations | ccat : Corporate/Industrial News | ghea : Health | gimm : Human Migration | gpri : Politics/International Relations | gpri : Domestic Politics | gvcng : Legislative Branch | ncolu : Columns | gcolu : Respiratory Tract Diseases | gmed : Medical Conditions | gspox : Infectious Diseases | gtrea : Medical Treatments/Procedures | gvbod : Government Bodies | ncat : Content Types | nfact : Factiva Filters | nfcpin : C&E Industry News Filter

RE russ : Russia | usa : United States | asiaz : Asia | easiaz : Eastern Asia | eurz : Europe | namz : North America | ussrz : CIS Countries | apacz : Asia Pacific | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe

IPD WSJ

IPC N/CNW

PUB Dow Jones & Company, Inc.

AN Document WSJO000020220408ei48005xx

THE WALL STREET JOURNAL.

CLM World News
SE World
HD **Ukraine War Drives Food Prices to Record High; Soaring prices for grain and other produce threaten shortages for the world's poor and headaches for food manufacturers**
BY By Alistair MacDonald and Patrick Thomas
WC 1,084 words
PD 8 April 2022
ET 23:25
SN The Wall Street Journal Online
SC WSJO
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

Global food prices hit a new record high in March, the United Nations said Friday, as the [war in Ukraine](#) threatens food shortages in some of the world's poorest countries and deeper inflation challenges for Western food manufacturers.

The war has disrupted [Ukraine's prodigious exports](#) of wheat, sunflower oil and other produce, and impacted food exports from Russia, upending a part of the world that has become increasingly important to feeding a growing global population.

TD

The absence of produce from the region is also lifting the prices of commodities produced elsewhere as countries and companies seek alternatives to their usual supplies. Higher grain prices in particular also threaten a knock-on impact on beef and other meat as producers rely heavily on grain to feed livestock [and poultry](#). The higher costs mean some of the largest food companies in the U.S. will likely continue to raise prices on consumers for products from cereal to deli meat, analysts say.

The U.N. Food and Agriculture Organization said Friday that its Food Prices Index—a measure of the most commonly traded food commodities—rose 12.7% to hit 159.3 points last month, up from a previous high of 141.4 in February. The March reading is the highest since the index was developed in 1990.

Much of the rise has been driven by higher grain prices. The FAO's cereal index rose more than 17% month-on-month, boosted by uncertainty surrounding grain exports from Russia and Ukraine. The two countries accounted for 30% of global wheat exports and 20% of corn over the last three years, the FAO said. They also produce a large proportion of the world's sunflower oil, eggs and other agricultural produce.

The FAO also said vegetable oil prices were up 23.2%, sugar had gained 6.7% and meat was 4.8% higher.

[Russia's invasion of Ukraine](#) has closed off the Black Sea ports that funnel much of the produce grown in the region around the world. Experts fear the impact of the war could be long lasting, as the fighting churns up farmland, smashes infrastructure and deprives farmers of fuel and fertilizers, which will likely reduce future crop yields. Many workers have also left the country or joined the fight.

Andrii Gogolov, whose farm is in a part of southern Ukraine currently occupied by [Russian forces](#), said he is unable to export produce at the moment, including 500 metric tons of soya he has in his warehouse. He also said he probably wouldn't grow any corn this season because of damage to the local irrigation system.

"This is a disaster for Ukrainian farming," he said.

The Ukrainian government predicts that there will be 25% less land planted this spring than usual, though some experts say that forecast is too optimistic. "If it is only 25% I would be amazed," said John Rich, executive chairman of MHP, one of Ukraine's biggest grain exporters.

Higher agricultural commodity prices are a windfall for big agricultural companies like Bunge Ltd. and Archer Daniels Midland Co. that buy and transport crops, analysts say.

U.S. farmer cooperative CHS Inc., which has a large grain-trading business, on Wednesday said it swung back to profit in the quarter ended Feb. 28. "Strong demand combined with global market volatility contributed to higher earnings," said Chief Executive Jay Debertin.

Shares of ADM and Bunge are up about 40% and 25%, respectively, this year.

For food producers that rely on grain and meat as ingredients for their products, though, higher commodity prices add to existing inflationary pressures amid rising costs for fuel and labor.

Conagra Brands Inc. said on Thursday that surging inflation in ingredients and trucking is pushing the company to raise prices again.

The Chicago-based food manufacturer, which makes Healthy Choice frozen meals and Slim Jim meat sticks, has already lifted prices for its products over the past year, citing higher supply-chain costs arising from the Covid-19 pandemic and, more recently, Russia's invasion.

Conagra said persistent inflation had led the company to lower its earnings expectations for its fiscal year that ends in May.

So far, though, Conagra said U.S. shoppers don't appear deterred by higher prices for its products. The company said its sales volumes at supermarkets have remained strong, but that that isn't the case for some of its competitors.

Meat companies from Tyson Foods Inc., the biggest U.S. meat processor by sales, to Hormel Foods Corp., the maker of Spam, have also so far said strong demand has allowed them to pass along higher costs to their customers.

However, meat and poultry processors will be challenged to pass on all of the more recent higher costs to consumers, according to analysts at Rabobank, a major agricultural lender.

Higher food prices are most likely to have an outsize impact on the world's developing countries, analysts say. Egypt and Indonesia are the largest buyers of Ukrainian wheat, each accounting for more than 15% of Ukraine's wheat exports, according to data from Trade Data Monitor.

Recent increases come at a time of already high [food-cost inflation](#), given disruptions related to the Covid-19 pandemic and poor harvests in the U.S., Canada and other countries.

The Iraqi government has already released some of its strategic reserves of wheat amid public protests and demands for easing of taxes on food imports.

The impact of higher prices is also becoming clear in Yemen, said Yasmin Faruki, a Washington, D.C.-based policy adviser at nonprofit Mercy Corps who recently visited the country.

The price of a 50-kilogram bag of flour is up 42% from a month ago, while the price of cooking oil is up 36% over the period, she said. Yemen is one of the 10 biggest importers of wheat from Ukraine and Russia, buying around 1.5 million metric tons of the grain from those two nations a year, according to Mercy Corps.

"People are now having to split already limited amounts of food," Ms. Faruki said.

Yusuf Khan and Ghassan Adnan contributed to this article.

Write to Alistair MacDonald at alistair.macdonald@wsj.com and Patrick Thomas at Patrick.Thomas@wsj.com

[Ukraine War Drives Food Prices to Record High](#)

IN i0 : Agriculture | ibnk : Banking/Credit | icnp : Consumer Goods | iinv : Investing/Securities | iretail : Retail | i64 : Retail/Wholesale | ifinal : Financial Services

NS gvio : Military Action | magric : Soft Commodity Markets | mgrain : Grain Markets | mveoil : Vegetable Oil Markets | ncolu : Columns | cpsht : Product Shortage | gcat : Political/General News | reqris : Suggested Reading Investing/Securities | c21 : Output/Production | ccat : Corporate/Industrial News |

cexpro : Products/Services | gcns : National/Public Security | grisk : Risk News | m14 : Commodity Markets | m141 : Agricultural Commodity Markets | mcat : Commodity/Financial Market News | medoil : Edible Oils Markets | mgroil : Grains/Edible Oils Markets | ncat : Content Types | nfact : Factiva Filters | nfce : C&E Exclusion Filter | redit : Selection of Top Stories/Trends/Analysis | reqr : Suggested Reading Industry News

RE ukrn : Ukraine | russ : Russia | asiaz : Asia | easiaz : Eastern Asia | eurz : Europe | namz : North America | uk : United Kingdom | usa : United States | ussrz : CIS Countries | apacz : Asia Pacific | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe | weurz : Western Europe

IPD Wires

IPC ADM

PUB Dow Jones & Company, Inc.

AN Document WSJO000020220408ei4800691

THE WALL STREET JOURNAL.

CLM Finance
SE Markets
HD **Russia Cuts Interest Rate as Financial System Stabilizes; Central bank reduces key rate to 17% from 20%, a slight step back from emergency measures taken in response to Western sanctions**
BY By Paul Hannon and Yuliya Chernova
WC 1,154 words
PD 8 April 2022
ET 21:59
SN The Wall Street Journal Online
SC WSJO
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.
LP

Russia's central bank cut its key interest rate following an unscheduled meeting of policy makers Friday, a sign that efforts to stabilize the country's financial system are having an effect.

In a statement announcing the reduction in the key rate to 17% from 20%, the Bank of Russia said the ruble's rebound from sharp losses in the days immediately following [the Feb. 24 invasion](#) had reduced the risk that inflation would move sharply higher.

TD

"The latest weekly data point to a noticeable slowdown in the current price growth rates, including owing to the ruble's exchange rate dynamics," the central bank said.

Even with Friday's cut, borrowing costs remain far above where they were before [Russia invaded Ukraine](#). The central bank [more than doubled its key](#)rate to 20% on Feb. 28 as it scrambled to support the ruble after seeing Western governments freeze almost half of its foreign-exchange reserves.

The central bank's statement noted that Russians have returned some of the money they withdrew from the country's banks in the days after the invasion. The central bank has imposed capital controls that stop Russians from moving their money out of the country.

"Financial stability risks are still present, but have ceased to increase for the time being, including owing to the adopted capital control measures," the central bank said.

The [campaign to isolate Russia](#) financially over the war in Ukraine has blacklisted most of Russia's largest banks. The European Union on Friday also blacklisted four banks already banned from the Swift global payments system, including Russia's second-largest bank, VTB, according to diplomats. VTB has already been sanctioned in the U.S. and the U.K.

Some big lenders and many small ones so far have been spared. Most Russian banks also [continue to be connected](#) to Swift, a [financial-messaging infrastructure](#) that links them to other banks around the world.

"It could be construed as a demonstration that financial stability concerns have abated given the timidity of sanctions," said Gabriel Sterne, an economist at Oxford Economics, referring to the rate cut.

While the rate cut is a sign that the bank can begin to dial back its most extreme emergency measures, Russia's economy still faces what [economists predict will be a brutal recession](#).

Surveys of activity in Russia's manufacturing and services sectors pointed to sharp declines in activity during March, as well as job cuts and shrinking order books. The European Bank for Reconstruction and Development expects Russia's economy to [shrink by 10% this year and stagnate in 2023](#).

The central bank's policy makers had not been scheduled to review their interest-rate policy until April 29. The Bank of Russia's readiness to move earlier suggests growing confidence that the moment of greatest threat to the stability of the banking system has likely passed.

"It's clear that the Central Bank of Russia assesses that Russia's economy is now emerging from the most acute phase of its crisis and that such restrictive monetary conditions are no longer warranted," said Liam Peach, an economist at Capital Economics.

Even after the cut, the central bank's key interest rate remains very high by international standards. Among the Group of 20 largest economies, only Argentina has a higher central bank rate—currently 44.5%—and only Turkey is close with a 14% key rate.

Dmitry Apryatkin, owner of a real-estate agency in St. Petersburg, doesn't expect the rate cut to revive interest in property purchases, which he said had stalled since the February rate increase.

"My sales dropped a lot, dropped catastrophically," Mr. Apryatkin said.

Mr. Apryatkin closed his office in the center of the city and reduced other expenses to deal with the drop in business.

In addition to persuading Russians to return some of their savings to the banking system, the central bank has also [succeeded in preventing a further weakening of the ruble](#), which has recovered most of its post-invasion losses over recent weeks.

The stabilization of the currency, however, has come at great costs to everyday Russians, who are heavily restricted from converting rubles into foreign currencies or transferring money abroad. Also helping the currency were new central bank rules that require Russian energy exporters to convert [80% of their foreign currency earnings into rubles](#).

The ruble weakened 2% against the dollar after the Russian central bank cut its key policy rate. It traded at 80 rubles to \$1, still around the level it was at before the Ukraine invasion on Feb. 24.

Russian stocks declined Friday, with the benchmark MOEX index falling 1%. It has lost over 5% this week so far.

The ruble's fall in the days following the invasion raised the threat of a sharp rise in the inflation rate, since a weaker currency pushes up the cost of imported goods and services. The country's statistics agency Friday said the annual rate of inflation jumped to 16.7% in March from 9.2% in February. The central bank targets an inflation rate of 4%.

Consumers expect prices to rise 18% over the next year, according to a central bank survey taken in March. Consumers' expectations of more inflation have set off a cat-and-mouse game with the government. If consumers believe goods will get more expensive, they buy more now. That boosts demand and potentially pushes prices higher still.

Government officials are trying to break that cycle, arguing that [high inflation](#) will be temporary. If consumers wait out the current rush, "prices for some products might even turn lower," central bank chief, Elvira Nabiullina, said in [a recent speech](#).

In theory the recovery of the ruble will help keep the costs of imports lower than they would be otherwise. But trade embargoes imposed by the West and self-sanctioning by multinational companies are already leading to shortages of imported goods that will cause prices of scarce goods to rise regardless.

The Bank of Russia said it "holds open the prospect" of further rate cuts over the coming months, an indication that it expects a steadying of inflation and some further improvement in the state of the banking system.

However, it also acknowledged the economic damage being caused by the war and particularly the sanctions imposed by Western governments, which have severed many of Russia's financial and commercial links with its traditional partners.

"External conditions for the Russian economy are still challenging, considerably constraining economic activity," it said.

Anna Hirtenstein contributed to this article.

Write to Paul Hannon at paul.hannon@wsj.com and Yuliya Chernova at yuliya.chernova@wsj.com

[Russia Cuts Interest Rate as Financial System Stabilizes](#)

CO rosgos : Central Bank of the Russian Federation

IN ibnk : Banking/Credit | ifinal : Financial Services

NS e1202 : Interest Rates | e12 : Monetary Policy | ecat : Economic News | c13 : Regulation/Government Policy | ccat : Corporate/Industrial News | e51 : Trade/External Payments | gesanc : International Sanctions | gpir : Politics/International Relations | gtrade : Trade Barriers/Restrictions | ncolu : Columns | gcat : Political/General News | gdip : International Relations | ncat : Content Types | nfact : Factiva Filters | nfcpin : C&E Industry News Filter

RE russ : Russia | asiaz : Asia | easiaz : Eastern Asia | eurz : Europe | ussrz : CIS Countries | apacz : Asia Pacific | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe

IPD WSJ

IPC I/BKS

PUB Dow Jones & Company, Inc.

AN Document WSJO000020220408ei48000xd

THE WALL STREET JOURNAL.

CLM Europe News
SE World
HD **Germany Faces Pressure to Bolster Response to Russian Aggression in [Ukraine](#); Complaints rise that Germany is blocking stronger sanctions and refusing to send substantial military aid to [Ukraine](#)**
BY By Bojan Pancevski
WC 1,069 words
PD 8 April 2022
ET 15:04
SN The Wall Street Journal Online
SC WSJO
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.
LP

BERLIN—Germany is coming under pressure from Western allies to beef up its response to Russia's aggression, accept stronger sanctions against Moscow and send more weapons to Ukraine.

The U.S. and its closest allies in Europe are concerned that after an [initially robust response](#), Berlin's resolve in opposing Russia is seen as wavering because of economic concerns and skepticism that Ukraine can win the war. Some also think Berlin fears additional help for Ukraine and sanctions against Russia could undermine diplomatic efforts to end the conflict.

TD

CIA Director William Burns met with aides to German Chancellor Olaf Scholz last month on a confidential visit, a U.S. diplomat said, aimed to ensure that Berlin keeps up the pressure on Vladimir Putin. This was Mr. Burns's second visit to Berlin since January.

Mr. Burns briefed German officials that Mr. Putin had no intention of settling the conflict at the negotiating table but was preparing to strike again later this month. The Central Intelligence Agency chief also discussed ways Germany could assist Ukraine, including by boosting arms exports, the diplomat said.

"In mid-March, Director Burns visited Berlin where he consulted with intelligence counterparts and other government officials and reinforced our joint efforts to end Putin's destructive war," a U.S. official said. "They discussed issues of shared concern, including current assessments of the Russian invasion and potential escalatory moves by Moscow."

Ukraine, Poland, the U.K. and others have been particularly critical of [Germany's refusal to sanction Russia's oil and gas](#) sector and to provide offensive weapons to Ukraine.

"It's Germany that is the main roadblock on sanctions," Poland's Prime Minister Mateusz Morawiecki told reporters on Monday. "It is not the voices of German businesses that should be heard aloud in Berlin today. It is the voice of these innocent women and children."

On Wednesday, Ukraine's foreign minister said Germany could do much more to send weapons to his country.

Germany is now part of a minority of European Union members, alongside Austria and Hungary, that are opposing curbs to Russian gas and oil imports, according to politicians and diplomats. Italy, the other large EU country in this camp, dropped its opposition after large numbers of dead civilians were found in the wake of departing Russian troops around Kyiv, diplomats said.

A German government spokesman said that Germany was working with partners to strengthen the sanctions against Russia and that it would continue sending military aid to Ukraine.

German officials have long said that they would [only send defensive weapons to Ukraine](#), instead of offensive hardware such as tanks or jets. Several officials noted that the current government had already swept aside a taboo in German politics against shipping lethal weapons into a conflict zone. The country has delivered thousands of hand-held missiles and 14 armored vehicles.

In recent days, that position has started to shift amid international pressure, according to one aide to the chancellor who said that Germany might ship some tanks, although there hasn't been any agreement yet. The tanks that could be delivered from government stockpiles or directly from the manufacturer include the German-made Marder, Gepard and Leopard—all made by the company Rheinmetall—as well as Soviet-made tanks inherited from former East Germany, one official said. Around 100 Marders could be shipped relatively soon, the official said.

While German public opinion has been overwhelmingly supportive of Ukraine, [rising fuel and energy prices](#) have dented the government's popularity, polls show, suggesting a limited appetite for sacrifices to support Ukraine.

Before the war started in February, Germany was receiving over half of its gas and a quarter of its oil from Russia. Germany has said it would end Russian coal imports by the summer, oil imports by the end of the year, and gas imports by 2024.

EU officials said they were hoping that German public opinion would compel Mr. Scholz into allowing an embargo amid more evidence of Russian atrocities in Ukraine.

So far, Germany has sent Ukraine hand-held antitank and antiaircraft missiles as well as armored vehicles, ammunition and protective equipment. Germany's foreign and defense ministers have said German armed forces, depleted after decades of underfunding, were unable to spare more weapons.

A senior Defense Ministry official said that Germany had many more mothballed weapons systems, including tanks and multiple rocket launchers, that it could send to Ukraine. "The political will is not there yet," the official said.

On Wednesday, Defense Minister Christine Lambrecht told parliament that Germany would deliver more weapons but wouldn't mention the shipments publicly as requested by Ukraine.

Ukraine's ambassador to Germany Andriy Melnyk denied making such a request. He said that he had supplied a list of demands to the government and that constant refusals and protracted decision-making has forced him to go directly to arms manufacturers.

"I have become an arms dealer," Mr. Melnyk said. In a most recent purchase, Mr. Melnyk negotiated the shipment of over 5,000 antitank missiles from a German company that have since been delivered. Ukraine urgently needs aerial defense systems to stop the missiles and artillery shells that Russian forces are raining on its citizens, he said.

At least two German companies manufacture such systems but their current available production is earmarked for Egypt, the largest recipient of German arms export last year, according to government officials.

SHARE YOUR THOUGHTS

What steps, if any, should Germany take to help Ukraine? Join the conversation below.

Germany has a stockpile of old tanks and armored vehicles that it could provide to Ukraine, said Gustav Gressel, a Berlin-based security expert with the European Council on Foreign Relations, a think tank.

Some of the tanks were inherited from former East Germany and are identical to those used by the Ukrainian forces, meaning that they would not require any additional training.

"The problem with Germany is that everything is reactive only, and the first answer to any daring question is always: 'no, that's impossible,'" Mr. Gressel said.

Warren Strobel contributed to this article.

Write to Bojan Pancevski at bojan.pancevski@wsj.com

[Germany Faces Pressure to Bolster Response to Russian Aggression in Ukraine](#)

Military Action | ncolu : Columns | gcns : National/Public Security | gpol : Domestic Politics | grisk : Risk News | ncat : Content Types

RE gfr : Germany | ukrn : Ukraine | russ : Russia | asiaz : Asia | easiaz : Eastern Asia | eecz : European Union Countries | eurz : Europe | uk : United Kingdom | ussrz : CIS Countries | weurz : Western Europe | apacz : Asia Pacific | bric : BRICS Countries | dach : DACH Countries | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe

IPD Wires

IPC G/CIA

PUB Dow Jones & Company, Inc.

AN Document WSJO000020220408ei48000ul

THE WALL STREET JOURNAL.

CLM World News
SE World
HD **Russian Missile Attack Kills Dozens at Railway Station in Eastern [Ukraine](#); Moscow pressed its offensive in the Donbas area as Kyiv assessed the scale of damage around the capital**
BY By Georgi Kantchev and Thomas Grove
WC 1,554 words
PD 9 April 2022
ET 04:32
SN The Wall Street Journal Online
SC WSJO
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

A Russian missile attack on a train station in the eastern Ukrainian city of Kramatorsk killed at least 52 people and injured more than 100 trying to flee the [eastern Donbas region](#), Ukrainian authorities said Friday, in one of the largest single attacks on evacuees since the conflict began.

TD

Around 4,000 people from across eastern Ukraine had gathered at the train station, a railroad hub for the region, waiting for evacuation days after Ukrainian officials told residents to leave ahead of a renewed [Russian offensive](#) in Donbas. Ukrainian President Volodymyr Zelensky said a ballistic Tochka-U missile had struck the station. Photographs posted on social media by Mr. Zelensky showed bodies strewn on the ground and dozens of suitcases, strollers and bags left behind.

Five children were among the dead, said Pavlo Kyrylenko, the head of the administration in the eastern region of Donetsk. Another 16 children were wounded, he said.

"They are cynically destroying the civilian population," Mr. Zelensky wrote in a post on Instagram. "This is an evil that has no limits."

Mr. Zelensky posted a video of a missile fragment lying on the ground near the station that had the words "for the children" painted on it. A person narrating the video identified it as the missile used in the attack.

"They clearly saw that they were hitting civilians early in the morning, that at the station at this time there were thousands of people trying to evacuate, families, children, elderly," Oleksiy Arestovych, an adviser to Mr. Zelensky, wrote on his Facebook page.

Russia denied the strike but said it had been targeting train stations in the nearby Donbas towns and cities of Pokrovsk, Slovyansk and Barvinkove to destroy Ukrainian military hardware arriving into the region. Ukrainian officials have blamed Russia for thwarting evacuation attempts across the country, including outside the southern Ukrainian cities of Mariupol and Berdyansk, with artillery attacks.

The strikes herald a new focus on eastern Ukraine following [Moscow's decision](#) to give up on capturing the capital, Kyiv. The latest images of civilian deaths further intensified international outrage against Russia as Western officials are contemplating new weapons shipments to assist Ukrainian forces.

U.K. Prime Minister Boris Johnson and German Chancellor Olaf Scholz on Friday pledged to send more weapons, calling the attack on the train station in Kramatorsk a war crime. President Biden called the attack "yet another horrific atrocity committed by Russia."

Ukraine, which has asked for heavier weapons in the face of a possibly more consolidated attack by the Russians, received a Soviet-era [S-300 air-defense system from Slovakia](#), the Slovak government said Friday. In return, Mr. Biden said Friday that the U.S. will reposition a Patriot missile system to Slovakia to help augment that country's air defenses.

European Commission President Ursula von der Leyen, who met with Mr. Zelensky in Kyiv on Friday, condemned the attack, calling it despicable.

U.K. Foreign Secretary Liz Truss said she was appalled by the strike. "The targeting of civilians is a war crime," she wrote on Twitter. "We will hold Russia and [Russian President Vladimir] Putin to account."

Humanitarian organization Doctors Without Borders said the station attack was imperiling the evacuation efforts in the region.

"We were there yesterday, and we saw hundreds of people crowding the station, trying to leave," said Christopher Stokes, emergency coordinator at Doctors Without Borders. "The hospitals had been urgently calling us to evacuate their patients by train. It is a big question whether we will be able to evacuate more people."

Murat Sahin, the Ukraine representative at Unicef, the United Nations' Children's Fund, condemned the harming of children in the attack.

"Civilians, particularly children, must be protected from harm," Mr. Sahin said. "The killing of children must stop now."

Kramatorsk, a city of more than 100,000, has been the base for Ukraine's joint-forces operation, which has been fighting Russian-controlled separatists that took over swaths of Ukraine's industrial east in 2014. The city and those around it that suffered through the separatist conflict are once again becoming a war zone now that Moscow aborted its multipronged effort to capture Kyiv. Russia has said it is in [the second phase](#) of what it calls a special military operation and that the conflict is going according to plan, but analysts say Russia is being forced to reconsider its capabilities after weeks of setbacks.

The Kremlin said Friday that the military operation could end in the "foreseeable future" since its goals were being achieved and negotiations between the two sides were under way.

Renewed fighting in the east will draw more of Kyiv's resources away from cities and towns near the capital, where Ukrainian authorities are still trying to assess the extent of damage left after Russian troops withdrew. Ukrainian authorities on Friday were sifting through the remains of apartment blocks in the town of Borodyanka, north of the capital, after Kyiv said Russian planes bombed civilian targets, killing dozens and trapping countless more under the rubble.

Ukrainian Prosecutor General Iryna Venediktova said Russian forces attacked at least two apartment buildings with bombs and rockets to cause maximum civilian deaths. She said 26 bodies had been recovered but that there could be many more.

Ukraine's Parliamentary Human Rights Commissioner Lyudmyla Denisova listed three cases of rape, including two involving minors, in the areas around Kyiv, in a post on Facebook.

Moscow has denied targeting civilians in its military assault on Ukraine and has called the video and photographic images of Russia's alleged targeting of civilians in Bucha and elsewhere staged.

Ukraine has turned to Western partners in recent days for more support. Ukrainian Foreign Minister Dmytro Kuleba asked for a reliable supply of weapons at a meeting of the North Atlantic Treaty Organization in Brussels on Thursday.

The S-300 is a surface-to-air missile system that has been high on Ukraine's request list for its capability to shoot down warplanes or short-range ballistic missiles. Slovakia had been planning the deployment of the missile battery for weeks, but had been waiting for the U.S. to first deliver a Patriot missile system to allow the country to continue to defend its airspace. Slovakia received Patriot missiles from Germany and the Netherlands last month.

The announcement of the delivery of the S-300 system came days after the Czech Republic said it had sent more than a dozen Soviet-designed [T-72M tanks into Ukraine](#). The Czech Republic has also sent SA-2 surface-to-air missiles to Ukraine, alongside other munitions and arms from warehouses storing older Soviet equipment.

In Europe's rush to support Ukraine, it is much of former Communist Europe that has done the most to arm Kyiv's outgunned defenders. Poland, Baltic countries, Slovenia, the Czech Republic and Slovakia have all dug deep into their stocks to dispatch weapons to a fight they see as existential for their own national sovereignty.

Mr. Johnson said Britain's military aid would include Starstreak missiles for aerial defense, 800 antitank missiles and more precision munitions capable of lingering in the sky until they hit the target. Mr. Scholz didn't provide details on Germany's military aid.

New sanctions on Russia were also announced by the U.K. on Friday, as Western countries continued to ratchet up sanctions. The U.K. sanctioned [Mr. Putin's daughters](#)—imposing similar measures as the U.S. and European Union have—as well as the daughters of Russian Foreign Minister Sergei Lavrov.

The European Union implemented its fifth sanctions package on Russia on Friday, which included a ban on Russian coal imports, to be phased in over the next four months, as well as [import bans on vodka and caviar](#) and new sanctions on banks and top business figures.

Mr. Zelensky, however, said that isn't enough. "Russian banks must also be completely disconnected from the global financial system. Not some of them, but all, the entire banking system of Russia," he said in his nightly address Friday. "It is inadmissible that the greatest threat to global security is finding its way to global wealth."

Some big lenders and many small ones so far [have been spared sanctions](#). Most Russian banks also continue to be [connected to Swift](#), a financial-messaging infrastructure that [links them to other banks around the world](#). That has left open a link to Asia and the Middle East, where Russia has mostly been free from sanctions, and has avoided a major disruption of energy supplies to Europe.

On Thursday, the U.S. Senate and the House passed legislation to strip Russia of [its most-favored-nation trade status](#) and ban the country's oil imports. The United Nations General Assembly separately voted to suspend Russia from the U.N. Human Rights Council, reflecting international outrage over reports of atrocities committed against Ukrainian civilians.

Drew Hinshaw contributed to this article.

Write to Georgi Kantchev at georgi.kantchev@wsj.com and Thomas Grove at thomas.grove@wsj.com

[Russian Missile Attack Kills Dozens at Railway Station in Eastern Ukraine](#)

CO doctwb : Médecins Sans Frontières

IN iaer : Aerospace/Defense | iindstrls : Industrial Goods

NS gvexe : Executive Branch | gcat : Political/General News | c13 : Regulation/Government Policy | ccat : Corporate/Industrial News | e51 : Trade/External Payments | ecat : Economic News | gesanc : International Sanctions | gpir : Politics/International Relations | gtrade : Trade Barriers/Restrictions | gvio : Military Action | ncolu : Columns | gcns : National/Public Security | gdip : International Relations | gpol : Domestic Politics | grisk : Risk News | gvbod : Government Bodies | ncat : Content Types | nfact : Factiva Filters | nfcpin : C&E Industry News Filter

RE ukrn : Ukraine | russ : Russia | asiaz : Asia | donsk : Donbas | easiaz : Eastern Asia | eurz : Europe | uk : United Kingdom | ussrz : CIS Countries | weurz : Western Europe | apacz : Asia Pacific | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe

IPD Wires

IPC FB

PUB Dow Jones & Company, Inc.

AN Document WSJO000020220408ei48000m9

THE WALL STREET JOURNAL.

CLM Europe News
SE World
HD **One Woman's Frantic Search for Relatives in [Ukraine](#): 'I Still Don't Know if My Family Is Alive'; Some 160,000 people are trapped in the southern port city. This is the story of one Toronto woman's quest to find her family as the war grinds on.**
BY By Dan Frosch and Ian Lovett
WC 2,079 words
PD 8 April 2022
ET 23:09
SN The Wall Street Journal Online
SC WSJO
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

The message came from an unfamiliar Ukrainian number while Anastassia Vitkovitsky and her family were drinking tea in their Toronto home: "Help, SOS, we're in trouble."

It was from her cousin, Katya Aksenko, in the city of Mariupol, whom no one had been able to reach for nearly a week.

TD

Russian troops were shelling Ms. Aksenko's home, the message said. She and her parents were hiding in a basement bomb shelter. With no power or cell service, she'd managed to reach a friend in Ukraine, whom she begged to send word to her family in Canada.

Now at least Ms. Vitkovitsky knew her cousin was alive. But where? And how, exactly, to help her?

Over the next month, the 27-year-old Ms. Vitkovitsky, along with Ms. Aksenko's friends in Ukraine, launched a frantic effort to find her cousin. They spoke to volunteers running civilian rescue operations in Mariupol. They plastered her information across social media. They caught glimmers of her: One woman claimed she had been sheltering in the same basement as the Aksenkos. Ms. Aksenko was spotted caring for an elderly woman upstairs who was too frail to make it to the basement.

Late last month, Ms. Vitkovitsky tracked her cousin to an address on Mariupol's left bank—one of the most dangerous areas in Ukraine, controlled by Russian and separatist soldiers.

"It feels like we may be close," Ms. Vitkovitsky said. "I still don't know if my family is alive, or maybe in the process of starving to death."

Thousands of others, from Hungary to the U.S. and Australia, are also searching for loved ones trapped in besieged parts of Ukraine.

Mariupol, which has been [pulverized by Russian shelling](#) and left without phone and internet access, [has become a black hole](#), with little information available to those on the outside.

The International Committee of the Red Cross has [tried to reach the city](#) to evacuate the 160,000 people believed to be trapped there. Volunteer rescue groups are overwhelmed with pleas to extract relatives. Facebook overflows with photos of those who have vanished.

"Help me find my son," one post said. "The last time I contacted was in early March."

"I'm looking for my niece, cousin and uncle, who lived in Mariupol," said another.

No part of the city is more cut off than the left bank, the neighborhood where Ms. Vitkovitsky believed her family was hiding.

Mariupol

Ms. Vitkovitsky could picture the second-story apartment where Ms. Aksenko and her parents lived: the square kitchen table, her aunt's jars of pickled vegetables, children's laughter floating in through the open windows. Her family had visited every few summers since moving to Canada when Ms. Vitkovitsky was 5.

The two cousins, separated by five years, grew close on those visits. On summer nights, Ms. Vitkovitsky, the younger of the two, tagged along with her cousin and her friends. They congregated at a local park, chewing sunflower seeds and chatting in a jumble of Ukrainian and Russian slang. As they walked toward the Sea of Azov, boys poured them champagne so sweet Ms. Vitkovitsky couldn't drink it.



Ms. Vitkovitsky displays a photo of her cousin, Katya Aksenko, wearing a red top, and aunt, Natasha Aksenko, at their home in Mariupol in 1998. PHOTO: Sarah Espedido for The Wall Street Journal

Their last trip, in 2019, was different. Russia had annexed Crimea, and separatists controlled territory just east of Mariupol. Ms. Vitkovitsky's family passed through military checkpoints. Ms. Aksenko's parents didn't want the women venturing out alone.

Ms. Vitkovitsky tried to persuade her cousin to join her in Canada. But Ms. Aksenko didn't want to leave Mariupol, where she had returned after finishing pharmacy school.

"She really wanted to make it work there," Ms. Vitkovitsky said.

On Feb. 24, when [the Russian invasion](#) began, Ms. Aksenko and her parents called Toronto. They said they had made plans to head for relatives in western Ukraine.

But the next day, Ms. Aksenko's mother, Natasha, said they hadn't left. "The government is telling people it's safer to stay home," Ms. Vitkovitsky recalled her aunt saying during a phone call.

Over the next few days, Ms. Aksenko kept commuting to work at a hospital pharmacy, she told Ms. Vitkovitsky. Mariupol's trains stopped running. Bombs fell closer. Power in a nearby neighborhood cut out. Whenever they heard explosions, the family headed downstairs to the basement. Ms. Aksenko began to sound weary in voice messages, Ms. Vitkovitsky said.

On the night of March 1, Ms. Aksenko texted.

"Nastya, we have no connection and no light, tell your Mom," she wrote, using a common nickname for Anastassia. "Today they bombed nearby on our street."

Ms. Vitkovitsky tapped out a message: "The important thing is to survive."

Ms. Aksenko wrote back that it was quiet outside for now. She and her parents would try to sleep.

"Kisses, my dear," she wrote.

The next morning, Ms. Vitkovitsky messaged her cousin: "Good morning. Wishing you guys some sunshine."

She never heard back.

The Search

Some 250 miles west of Mariupol, Ms. Aksenko's roommate from pharmacy school, Tanya Khudiakova, had also been in touch.

On the morning of March 5, Ms. Khudiakova got a text from Ms. Aksenko: "Tanya Mariupol is in trouble we're sitting in the bomb shelter spread the word."

Ms. Aksenko reached her that evening. "Call my aunt in Canada," Ms. Khudiakova recounted her saying. "Tell everyone we're in trouble."



Tanya Khudiakova, Ms. Aksenko's roommate from pharmacy school, has been helping search for her. PHOTO: Ian Lovett/The Wall Street Journal

Ms. Khudiakova found the family on Facebook and was speaking to Ms. Vitkovitsky by phone that night. Then the two women began searching.

Ms. Khudiakova created a group on Viber, a messaging app popular in Ukraine, for people looking for loved ones in Mariupol. It was quickly inundated with desperate families.

She reached out to a childhood friend of Ms. Aksenko's, named Vlada, who told Ms. Khudiakova that the Aksenko family was sheltering in the basement of their apartment building.

Ms. Vitkovitsky said another childhood friend told her that Ms. Aksenko and her parents had likely moved to a bomb shelter beneath a nearby building; a third said Ms. Aksenko had stitched up a friend's face after he was hit by shrapnel. Ms. Vitkovitsky recognized the friend's name: He was one of the boys who had given her champagne on those summer nights in Mariupol.

Ms. Vitkovitsky's family registered her cousin's information on a [website launched to track the missing](#) in Ukraine. She obsessively called the number Ms. Aksenko had used on March 5 to contact Ms. Khudiakova.

On March 23, her phone rang. It was that same number.

"Nastya?" a voice said. For a moment, Ms. Vitkovitsky said, she thought it was her cousin—her voice transformed by trauma and a bad cell connection.

It wasn't. The woman identified herself as Katerina. She said she had spent the last several weeks in a bomb shelter with Ms. Aksenko and her parents. Then, Russian-backed separatists had opened a path for civilians out of Mariupol's left bank. Katerina was taking it. As she spoke, she was walking toward the Sea of Azov and, she hoped, to safety.

Ms. Aksenko and her parents stayed, Katerina said. Ms. Vitkovitsky knew her aunt had bad knees and couldn't have made the long walk out of the left bank. She also didn't think her family would trust an escape route offered by separatists.

"They have food and water," Katerina said.

Now, Ms. Vitkovitsky had an address.

Land Mines and Flat Tires

Ms. Vitkovitsky didn't know where to take the information. She had heard of Russian sympathizers infiltrating Ukrainian chat rooms.

While scouring social media, she found a man who claimed to be running minibuses into Mariupol to rescue people: Denis Minin, a host on Ukrainian television who grew up in the city.

Mr. Minin, who was living in Kyiv, said he started off hoping to find his own parents, whom he had lost contact with on Feb. 28. He ended up working with volunteers driving into the city, he said.

SHARE YOUR THOUGHTS

Are Western governments doing enough to support the people of Ukraine? Why or why not? Join the conversation below.

The group has grown into a network of minibuses with rotating drivers. Volunteer coordinators say they have evacuated hundreds of people from Mariupol.

It is a harrowing journey that can take up to four days. Buses have hit mines on the roads, Mr. Minin said. Drivers rarely wanted to go more than once.

Mr. Minin said so many families have contacted him that he has more than 1,000 unread messages. For weeks, there was no sign of his parents. "When you don't hear anything from relatives for a month, and you see the photos of the destroyed city, you can only guess," he said. In recent days, he spotted them in a video released by separatists that showed aid being distributed to civilians.



Ms. Vitkovitsky, in a purple cardigan, looks through family photo albums with her sister and mother. PHOTO: Sarah Espedido for The Wall Street Journal

Ms. Vitkovitsky messaged him her cousin's location.

Mr. Minin wrote back, saying it was impossible to get to the left bank. "Going there is a one-way ticket," he said.

She found another driver, Mihail Puryshch, a Mariupol nightclub owner who said he had made six trips over the last three weeks, getting past Russian checkpoints by offering socks and cigarettes.

He, too, said no one had made it to the left bank—those who tried ended up with flat tires from the debris. Twenty-one buses that had recently set out for Mariupol are now trapped or missing, Mr. Puryshch said.

"If she's alive," he said of Ms. Aksenko, "they'll probably take her to Russia soon, if she agrees to go."

Running Out of Time

By the end of March, they were hitting dead ends. A few of Ms. Aksenko's childhood friends were emerging from the battered city. None had news.

Ms. Vitkovitsky worried they were running out of time. Her mother was glued to Ukrainian news on her phone. Ms. Vitkovitsky would find her weeping.

Then, on March 31, Russia said it would allow Mariupol civilians to evacuate. The Red Cross readied a fleet of buses.

For Ms. Vitkovitsky, it was her family's best chance to get out. But the convoy repeatedly failed to reach the city. A month had now passed since Ms. Vitkovitsky lost contact with her family.

On April 3, Ms. Aksenko's childhood friend, Vlada, sent Ms. Khudiakova a cellphone video. It showed Ms. Aksenko climbing the stairs from an apartment building's basement into a courtyard strewn with debris. Smoke and flames poured from an adjacent building.

"It's March 22," Ms. Aksenko says in the minute-and-40-second clip, which was viewed by The Wall Street Journal. "We have been struck 18 times. The roof is burned down. Look what happened to our garden. The cars are burning. Do you see this disaster?"

Ms. Aksenko says something about going home before the clip abruptly stops.

For Ms. Vitkovitsky, the video was a dream and a nightmare.

Her cousin looked healthy. Her voice sounded resolute. She could also seemingly leave the shelter, if only briefly. But everything around her was ablaze. And the video was taken two weeks ago.

Maybe it was denial, Ms. Vitkovitsky said, but she insisted her family would make it out.

"I'm going to see them. I'm going to see them," she said. "I'm going to see at least someone out of them."

Anastasiia Morozova and Max Colchester contributed to this article.

Write to Dan Frosch at dan.frosch@wsj.com and Ian Lovett at ian.lovett@wsj.com

[One Woman's Frantic Search for Relatives in Ukraine: 'I Still Don't Know if My Family Is Alive'](#)

NS	gvio : Military Action ncolu : Columns nimage : Images gcat : Political/General News gcns : National/Public Security grisk : Risk News ncat : Content Types
RE	ukrn : Ukraine donsk : Donbas cana : Canada caon : Ontario eurz : Europe namz : North America uk : United Kingdom dvpcoz : Developing Economies eeurz : Central/Eastern Europe weurz : Western Europe
IPD	WSJ
IPC	FB
PUB	Dow Jones & Company, Inc.
AN	Document WSJO000020220408ei48000p6

THE WALL STREET JOURNAL.

CLM Letters
SE Opinion
HD Can **Russia** or **Ukraine** Now Claim Their Great Jewish Musicians of Old? Place of birth didn't necessarily determine nationality.
WC 110 words
PD 8 April 2022
ET 22:32
SN The Wall Street Journal Online
SC WSJO
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.
LP
In "[Beneath Russia's Musical Supremacy, I Find Ukraine](#)" (Letters, April 7), Ed Davis names eight superlative pianists and violinists, of whom he considers one Russian, one Lithuanian and six Ukrainian.

But place of birth didn't determine nationality. Rachmaninov was Russian, Ukraine-born Richter was half Russian. All the others—Horowitz, Gilels, Heifetz, Elman, Milstein and Oistrakh—weren't Ukrainian or Lithuanian. The Russian Empire considered them aliens. They were Jews.

TD
Jeffrey A. Heller
New York
[Can Russia or Ukraine Now Claim Their Great Jewish Musicians of Old?](#)

NS gmusic : Music | nedc : Commentaries/Opinions | nlet : Letters | gcat : Political/General News | gent : Arts/Entertainment | ncat : Content Types | nfact : Factiva Filters | nfce : C&E Exclusion Filter | nfcpx : C&E Executive News Filter | niwe : IWE Filter | nrgn : Routine General News
RE russ : Russia | ukrn : Ukraine | asiaz : Asia | easiaz : Eastern Asia | eurz : Europe | uk : United Kingdom | ussrz : CIS Countries | apacz : Asia Pacific | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe | weurz : Western Europe
IPD Opinion |
IPC R/ASI
PUB Dow Jones & Company, Inc.
AN Document WSJO000020220408ei48005h9

THE WALL STREET JOURNAL.

CLM Letters
SE Opinion
HD The 'Ukraine Isn't a Real Country' Propaganda Line; A long foreign occupation didn't destroy its sovereignty.
WC 128 words
PD 8 April 2022
ET 22:21
SN The Wall Street Journal Online
SC WSJO
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.
LP
In "[Churchill, Zelensky and the American Right](#)" (op-ed, April 2), Andrew Roberts states that former Reagan budget director David Stockman "went on to argue that Ukraine isn't a real country and had no genuine sovereign independence."

Mr. Stockman should stick to budgets. Ukraine, centered in Kiev, was a country 250 years before Russia even existed as a nation. If having been occupied by another foreign nation for long periods is his parameter for losing sovereignty, then the rest of the Eastern European nations, Spain, Portugal, Ireland, India and Israel don't qualify either.

TD
John J. Gregurich
Chesterton, Ind.
[The 'Ukraine Isn't a Real Country' Propaganda Line](#)

NS nedc : Commentaries/Opinions | nlet : Letters | ncat : Content Types | nfact : Factiva Filters | nfce : C&E Exclusion Filter | nfcpx : C&E Executive News Filter | niwe : IWE Filter | nrgn : Routine General News
RE ukrn : Ukraine | eurz : Europe | uk : United Kingdom | dvpcz : Developing Economies | eeurz : Central/Eastern Europe | weurz : Western Europe
IPD Opinion |
IPC R/EEU
PUB Dow Jones & Company, Inc.
AN Document WSJO000020220408ei48005bp

THE WALL STREET JOURNAL.

CLM Review & Outlook (U.S.)
SE Opinion
HD **Barack Obama Rewrites His [Russia](#) History; His claim that he was tough on Putin is contradicted by his eight-year record.**
BY By The Editorial Board
WC 741 words
PD 9 April 2022
ET 04:32
SN The Wall Street Journal Online
SC WSJO
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

Russia's bloody invasion of Ukraine has sparked an Olympic sprint of sorts as politicians run away from their abysmal records regarding Vladimir Putin. Few are running faster than former President Barack Obama, who this week tried to rewrite the history of his own Russia policies.

"As somebody who grappled with the incursion into Crimea and the eastern portions of Ukraine, I have been encouraged by the European reaction [this time]," Mr. Obama said at an event in Chicago. "Because in 2014, I often had to drag them kicking and screaming to respond in ways that we would have wanted to see from those of us who describe ourselves as Western democracies."

TD

As for Mr. Putin, the former U.S. President purports to be surprised by the Russian leader's brutality. "I don't know that the person I knew is the same as the person who is now leading this charge. He was always ruthless. You witnessed what he did in Chechnya, he had no qualms about crushing those whom he considered a threat. That's not new. For him to bet the farm in this way—I would not have necessarily predicted from him five years ago."

Mr. Obama managed to say all this with a straight face while speaking at an event about "disinformation" in politics.

Start with Mr. Obama's claim he was a champion of harsher measures against Russia after the invasion of Crimea and eastern Ukraine in 2014. His Administration imposed only mild, targeted sanctions on Russia—and then joined with Moscow to negotiate a nuclear deal with Iran. He refused to sell Javelin antitank weapons to Ukraine. Germany pushed ahead with its Nord Stream 2 gas pipeline in this era with nary a peep from Washington until the Trump Administration.

Mr. Obama also can't claim as much ignorance as he does now about Mr. Putin's intentions and methods at the time. Mr. Putin had risen to power allegedly by bombing apartment buildings in Russia, as U.S. intelligence no doubt knew or highly suspected, and even Mr. Obama concedes Mr. Putin's 1999 assault on Grozny in Chechnya was "ruthless."

There also were the 2006 assassinations of journalist Anna Politkovskaya and Putin critic Alexander Litvinenko, Mr. Putin's provocative speech criticizing the North Atlantic Treaty Organization in Munich in 2007, and the 2008 Russian invasion of Georgia.

In 2009 Mr. Obama nonetheless dispatched Secretary of State Hillary Clinton to Geneva to negotiate a "reset" on relations with her Russian counterpart Sergei Lavrov. In 2012 Mr. Obama accused Republican presidential candidate Mitt Romney of [hewing to a retrograde 1980s foreign policy](#) for viewing Russia as a threat, while telling Putin henchman Dmitry Medvedev when he thought no one was listening that he'd have more latitude to cut Mr. Putin some slack after the U.S. election.

Some reset. In addition to the Crimea and Donbas invasions, 2014 saw the shoot-down of a Malaysian Airlines flight by Russia-linked forces in eastern Ukraine. Russia's cluster bombing of Aleppo in Syria followed in 2015-16. Mr. Putin's suppression of domestic dissent accelerated, and he amped up his

rhetoric against NATO and an independent Ukraine. And don't forget the meddling in the 2016 U.S. election, which Mr. Obama punished with wrist-slap sanctions only after Donald Trump won.

Mr. Obama's main concession to Russian reality was to lobby NATO allies to increase their annual defense spending to 2% of GDP, although for the most part they ignored him. One can almost understand why they did, since they saw him cozying up to Mr. Putin on Iran while talking down the Russia threat.

All of this is relevant now because the Biden Administration is loaded with men and women who worked for Mr. Obama and shared his misjudgments about Russia. The conceit in many quarters on the left is that Mr. Putin has changed, or is deranged, such that his Ukraine invasion couldn't have been foreseen.

But Mr. Obama's weakness toward Russia, reinforced by former German Chancellor Angela Merkel, is one reason Mr. Putin felt he could act with increasing aggressiveness and get away with it. No one should believe Mr. Obama's varnished Russia history.

[Barack Obama Rewrites His Russia History](#)

NS gvexe : Executive Branch | gcat : Political/General News | gpir : Politics/International Relations | gpol : Domestic Politics | ncolu : Columns | nedc : Commentaries/Opinions | gvbod : Government Bodies | ncat : Content Types | nfact : Factiva Filters | nfcpx : C&E Executive News Filter

RE russ : Russia | usa : United States | asiaz : Asia | chechn : Chechen Republic | china : China | crimea : Crimea | easiaz : Eastern Asia | eurz : Europe | namz : North America | uk : United Kingdom | ukrn : Ukraine | ussrz : CIS Countries | apacz : Asia Pacific | bric : BRICS Countries | chinaz : Greater China | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe | runcf : North Caucasian Federal District | weurz : Western Europe

IPD Opinion |

IPC MALAIR.YY

PUB Dow Jones & Company, Inc.

AN Document WSJO000020220408ei48008et

THE WALL STREET JOURNAL.

CLM Commentary (U.S.)
SE Opinion
HD **Ukraine's History Rhymes With Finland's; Soviet gains after the 1939 invasion came at a punishing cost.**
BY By Jeffrey Meyers
WC 1,309 words
PD 9 April 2022
ET 04:16
SN The Wall Street Journal Online
SC WSJO
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

The Soviet invasion of Finland in November 1939 is strikingly similar to the Russian invasion of Ukraine in February 2022. Russia is now making many of the same mistakes as in its earlier military failure. Finland had been under Swedish and Russian rule until 1918; Ukraine didn't break away from the Soviet Union until 1991. Both countries had recently gained their precious independence and were determined to fight for it.

The same tragic elements have appeared in both wars: faulty Russian intelligence, misguided expectations of a rapid victory with few casualties, brutal invasion of a weaker country, bombardment of cities, assaults on civilians, poor training, inadequate supplies, low morale, reluctance to fight, humiliating defeats, universal condemnation, lack of allied intervention, and exposure of military weakness. A brief account of the Finnish war illuminates these parallels.

TD

Citing security concerns, the Soviets claimed that the Finnish border, 20 miles from Leningrad, could be used for artillery assaults on the city and had to be pushed back into Finnish territory. Moscow also falsely claimed that Finland had started the war by firing shots across the frontier and killing soldiers. In a propagandistic article on Nov. 3, 1939, Pravda declared: "We are going to follow our own road, regardless of where it may lead. We will see to it that the Soviet Union and its borders will be protected, breaking all obstacles in order to reach our goal."

The Soviet Union didn't declare war but claimed it was saving Finland from the Nazis and began an air assault on the much weaker country. Moscow planned a short campaign that would be over in 10 to 12 days. In his autobiography, "Khrushchev Remembers" (1970), the Soviet leader wrote: "We thought all we had to do was raise our voice a little bit, and the Finns would obey. If that didn't work, we could fire one shot and the Finns would put up their hands and surrender."

The Soviets had overwhelming military superiority. The flat landscape allowed a massive invasion of tanks, but they got stuck in ditches, trapped in endless traffic jams and destroyed by Molotov cocktails thrown at close range. The Soviets unleashed a massive bombardment of civilian targets, and their planes attacked thousands of refugees who were desperately trying to escape the cities and towns.

Western war correspondents were confined to Helsinki and couldn't provide accurate reports from the constantly shifting frontlines.

Soviet soldiers weren't told they were going to war and had low morale. The Finns discovered that "Russian prisoners of war were cold, hungry and sick. In some divisions, only 60 percent of the soldiers had been given military training," Eloise Engle and Lauri Paananen recount in "The Winter War" (1973). Many troops came from remote regions in eastern Russia and had no training at all. Soviet prisoners of war reported that they were short of ammunition and fuel. The troops were exhausted, many refused to advance, and the Soviets had executed dozens of their own soldiers.

The tactics taught in military manuals were useless, and Soviet intelligence reports were immediately obsolete: "There was a lack of creative leadership within the Red command; they fought according to the

rule books and there seemed to be no deviation even when the situation called for it," Engle and Paananen write. "That every order must first be approved by the political leaders necessarily led to delay and confusion, the lessening of initiative and fear of responsibility."

Fighting on familiar terrain and defending their own country, the Finns had far greater morale. Well-equipped and camouflaged in white, they used reindeer to pull sledges over snow and had mobile ski troops with high-velocity rifles. The Soviets, expecting a swift victory, didn't have arctic clothing. When temperatures dropped to 40 below, thousands of soldiers froze to death. Finland put up a much stronger fight than expected, and the war lasted for almost four months, from Nov. 30, 1939 to March 13, 1940. The Finnish commander, Field Marshal Carl Mannerheim, who'd served in the czarist army, said, "I did not think my own men could be so good or that the Russians could be so bad."

The first Soviet attacks were defeated by heroic resistance; mass infantry assaults led to mass slaughter, and the Soviets suffered far more casualties. Several Soviet generals, leading demoralized men from the front instead of directing the battle from the rear, were killed. Stalin, who had liquidated most generals during the recent Purge Trials, "was frantic over the news from the Finnish front," Engle and Paananen write. "The big debut of the Red Army was still failing miserably." But the Soviet Union could neither withdraw its troops nor accept defeat without a tremendous loss of prestige. Its political leaders, universally hated and despised, worried about the ridicule of world opinion and the honor of the Red Army.

The unmotivated Soviet soldiers didn't understand why they were fighting this war. One prisoner confessed: "We have many sick and wounded. Our commanders have difficulty in justifying our being here and finding our way in this strange territory." A captured colonel asked: "For whom was this war, particularly these battles, worthwhile? And for what? Why did these young people have to die?" But the Soviets continued their attacks, supported by tremendous bombardments from artillery and airplanes, and inevitably won the war.

Finnish resistance inspired world-wide protests and universal sympathy but received only ineffectual offers of help from the West. Three months after World War II began on Sept. 1, 1939, Sweden remained neutral and no allied country wanted to get involved in this local conflict. Winston Churchill's speech of Jan. 20, 1940, employed stirring rhetoric: "Only Finland—superb, nay, sublime in the jaws of peril—Finland shows what free men can do. The service rendered by Finland to mankind is magnificent. . . . We cannot tell what the fate of Finland may be, but no more mournful spectacle could be presented to what is left to civilized mankind than that this splendid Northern race should be at last worn down and reduced to servitude worse than death by the dull brutish force of overwhelming numbers." But Britain, fighting its own war, couldn't provide substantial assistance.

The Soviets didn't want to occupy Finland, where guerrilla activity would continue indefinitely. But after crushing the Finns, they extracted extremely harsh peace terms. Finland was forced to surrender about one-ninth of its territory along the 800-mile-long Russian border. It lost its largest lake, its second-biggest city, its main port on the Arctic Ocean, its strategic port on the south coast, the entire Karelian Isthmus with 12% of the Finnish population, and 22,000 square miles of land. It also suffered 25,000 dead and 55,000 wounded, and 450,000 people were displaced.

The war revealed the weakness and devastation of the Soviet army. A million Soviet troops were killed, 1,000 planes shot down, and 2,300 tanks destroyed. Its obvious and fatal defects encouraged Hitler to invade Russia in June 1941. Ernest and Trevor Dupuy concluded in their authoritative military encyclopedia (1993) that "the Soviet offensive was amateurishly planned without regard to terrain, weather or the logistical problems involved." Khrushchev confessed: "All of us—and Stalin first and foremost—sensed in our victory a defeat by the Finns. It was a dangerous defeat because it encouraged our enemies' conviction that the Soviet Union was a colossus with feet of clay."

Even if Russia achieves a military victory in Ukraine, it faces another economic and political disaster.

Mr. Meyers is author of "Robert Lowell in Love" and "Resurrections: Authors, Heroes—and a Spy."

[Ukraine's History Rhymes With Finland's](#)

- NS** gvio : Military Action | gpip : Politics/International Relations | gppl : Domestic Politics | ncolu : Columns | nedc : Commentaries/Opinions | gcat : Political/General News | gcns : National/Public Security | grisk : Risk News | ncat : Content Types | nfact : Factiva Filters | nfcpx : C&E Executive News Filter
- RE** russ : Russia | fin : Finland | asiaz : Asia | easiaz : Eastern Asia | eecz : European Union Countries | eurz : Europe | uk : United Kingdom | ukrn : Ukraine | ussrz : CIS Countries | apacz : Asia Pacific | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe | nordz : Nordic Countries | weurz : Western Europe

IPD Opinion |
IPC N/EEC
PUB Dow Jones & Company, Inc.
AN Document WSJO000020220408ei480086h

HD **The Ukraine Crisis: Russians Pour Money Into Turkey**

BY By Jared Malsin and Elvan Kivilcim

WC 878 words

PD 8 April 2022

SN The Wall Street Journal

SC J

PG A8

LA English

CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

CX

Corrections & Amplifications

After publication, the Journal removed the name of a person mentioned in this article.

(April 8, 2022)

(END)

LP

ISTANBUL -- Turkey is fast becoming a haven for Russian money, from oligarchs parking their superyachts along the country's shores to young dissidents and tech workers flying from Moscow with cash in suitcases.

The influx of Russian money highlights how Turkey has opposed the invasion of Ukraine while acting as an intermediary between the two countries. The strategic U.S. ally and NATO member state has condemned the invasion and sold weapons to Ukraine while choosing not to impose sanctions on Russia, a decision that also shields Turkey's economy from the worst of the fallout from the war. Turkish leaders have also acted as mediators in the crisis.

TD

Since Moscow launched its invasion of Ukraine in February, thousands of Russians have flown to Turkey, with many choosing to stay. Some of these Russians are relocating to cosmopolitan Istanbul or coastal resort cities like Antalya, a popular tourist destination for Russians that is becoming a permanent home for some.

The Russians are using a variety of means to overcome Western sanctions that cut off some Russian banks from the Swift payment system and capital controls imposed by Moscow that limit the amount of foreign currency Russians can send abroad. Among the most common are Russian cash-transfer companies that operate in Turkey, cryptocurrencies and simply carrying thousands of dollars in cash through airports, Russians and Turks interviewed for this article said.

The Turkish government has said it won't stop Russian funds flowing in, even from oligarchs, as long as the money is legal. Turkey badly needs foreign currency after an economic crisis last year that caused its currency, the lira, to lose about 45% of its value against the dollar in less than three months. The U.S., U.K., and European Union have imposed sanctions on Russian oligarchs with alleged ties to President Vladimir Putin over the war in Ukraine.

"If you mean that these oligarchs can do any business in Turkey, then of course. If it is legal, and it is not against international law, I will consider it. If it is against international law, then that's another story," said Foreign Minister Mevlut Cavusoglu, speaking to an international conference in Doha, Qatar, on March 26.

The U.S. government has been silent on Russians moving their money, with Washington praising Ankara's role in hosting Russian-Ukrainian peace talks.

Inflows of Russian money may already be helping Turkey's finances at the margins.

Turkey's central bank took in about \$3 billion in just two days in mid-March resulting from swaps with domestic banks, according to publicly available data. That money was likely largely composed of deposits from Russians, said Omer Gencal, an economist and former executive at HSBC Turkey and other major Turkish banks.

"This money poured into Turkish banks, and they transferred it to the central bank via swap deals," said Mr. Gencal. "They see Turkey as a safe haven," he said of the Russians.

Moscow's invasion of Ukraine has driven an increase in Russians buying property in Turkey, including some who have invested more than \$250,000 each to acquire a Turkish passport under the country's citizenship-through-investment program, real-estate brokers said.

Gul Gul, the chief executive of Istanbul real-estate company Golden Sign, said that in the past month Russians have begun to outnumber her previous base of clients, who mostly came from Arab countries. The newly arrived Russians are buying as many as four apartments at a time, usually with cash, in order to invest the \$250,000 required for citizenship.

Among the oligarchs who have parked their assets in Turkey is Roman Abramovich. Mr. Abramovich has emerged as a player in Russian-Ukrainian peace negotiations brokered by Turkey. After weeks of operating a back channel to Mr. Putin, Mr. Abramovich showed up at formal negotiations between Russia and Ukraine in Istanbul on March 29. Mr. Abramovich didn't respond to a request to comment.

At the beginning of the invasion of Ukraine, the Turkish government scrutinized Russian money flowing in.

Turkish lenders, particularly private banks, have also been wary of running afoul of Western sanctions, bankers and analysts said. The banks strictly applied government rules -- for example, a requirement to obtain a residence permit before opening a bank account, people familiar with the rules said.

Those initial restrictions soon gave way to a more permissive approach to Russian money. At a single branch of one state-owned bank in Istanbul, Russians have opened more than 600 accounts in recent weeks, a person with knowledge of the accounts said.

Many of those fleeing Russia are young people including artists, tech workers, academics and others who opposed the invasion of Ukraine or fear they could be drafted into the military. Many left carrying hundreds or thousands of dollars in cash because of capital controls the Russian government imposed.

"I don't want my money to be used to kill Ukrainians," said a 25-year-old graphic designer who traveled to Istanbul from Moscow in March after protesting the war. "If I can't change the system, I'll remove myself from the system."

[License this article from Dow Jones Reprint Service](#)

NS ecat : Economic News | gdip : International Relations | gvio : Military Action | gesanc : International Sanctions | ncor : Corrections | ncrx : Corrected Items | gcat : Political/General News | gcns : National/Public Security | gpir : Politics/International Relations | grisk : Risk News | ncat : Content Types

RE turk : Turkey | russ : Russia | istan : Istanbul | ukrn : Ukraine | asiaz : Asia | balkz : Balkan States | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe | eurz : Europe | meastz : Middle East | medz : Mediterranean | ussrz : CIS Countries | wasiaz : Western Asia

IPC IGV

PUB Dow Jones & Company, Inc.

AN Document J000000020220408ei480000s

THE WALL STREET JOURNAL.

CLM Review & Outlook (U.S.)
SE Opinion
HD **When [Russia](#) Loses the U.N. . . . Evidence of Putin's atrocities is stiffening support for [Ukraine](#).**
BY By The Editorial Board
WC 668 words
PD 8 April 2022
ET 17:44
SN The Wall Street Journal Online
SC WSJO
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.
LP

The United Nations finally did something useful regarding Vladimir Putin's war on Ukraine, as the General Assembly voted Thursday to suspend Russia from the Human Rights Council. The vote is one sign among many this week that the discovery of likely Russian war crimes in Ukraine is causing greater problems for the Kremlin.

The U.N. vote was 93-24, more than the two thirds majority needed. The practical effect is negligible, but the symbolism counts for something when Russia is barred from a Human Rights Council that includes the likes of Venezuela, Cuba and China. Apparently the Kremlin is too embarrassing as a human-rights arbiter even for the U.N.

TD

The 23 nations that voted with Russia included the usual suspects Cuba, North Korea, Syria, Iran, Belarus—and China. "Dealing with the membership of the Human Rights Council in such a way will set new dangerous precedent, further intensify confrontation in the field of human rights, bringing a greater impact on the UN governance system, and produce serious consequences," said China's U.N. Ambassador Zhang Jun.

Translation: Beijing worries that the vote might cause someone to bring up the reeducation camps for Uyghurs in Xinjiang.

Fifty-eight countries abstained from the vote, after Russia had quietly threatened countries with retribution if they voted for suspension. The non-profiles in courage include Saudi Arabia, Indonesia, Mexico and Jordan.

Kuwait deserves special dishonorable mention for abstaining. Have its leaders forgotten how the U.S. rescued them from Saddam Hussein's dungeons in 1991? India also continues its moral and strategic fence-sitting in this war, which gets harder to defend as Russia's barbarism becomes obvious.

On that point, evidence is building that Russia's brutality is deliberate. Der Spiegel, the German magazine, reported that German intelligence intercepted radio traffic from Russian soldiers operating north of Kyiv, near Bucha where mass graves were discovered.

Sources [told the magazine](#) that the intercepts indicate "that the murder of civilians has become a standard element of Russian military activity, potentially even part of a broader strategy. The intention is that of spreading fear among the civilian population and thus reducing the will to resist." This comports with the Russian strategy of indiscriminate bombing of Ukrainian cities.

The atrocities are increasing Western support for more sanctions on Russia—and more weapons for Ukraine. The European Union approved new sanctions on Thursday that include a phase-out of Russian coal imports and blocking Russian ships from EU ports. Germany and other countries can find ready substitutes for Russian coal, even if it takes time.

But the shame is that the EU still won't ban the import of Russian oil and gas. This means that each day Europe is subsidizing Russia's war by financing the Kremlin. If a ban is too much, the EU should at

least put payments for Russian energy into an escrow account until Mr. Putin ends his war, as our Holman Jenkins has [suggested](#).

The U.S. Senate also moved Thursday to provide more help to Ukraine by passing a "lend lease" law that will let the Pentagon expedite the delivery of military equipment and other supplies to Ukraine. It also allows for the equipment to be delivered as a gift for now, with a promise to repay at a later date.

Ukraine won the battle of Kyiv, but the battle for the Donbas in the east is likely to be even more savage. Ukraine knows that if Mr. Putin occupies a quarter or so of the country, he can freeze the conflict and re-arm for future attacks. He may also be planning an assault on the port city of Odessa to cut all of Ukraine from access to the Black Sea.

This war could be long, and the West's resolve will have to match Mr. Putin's brutality.

[When Russia Loses the U.N. . . .](#)

CO utdnat : United Nations

NS gvexe : Executive Branch | gdip : International Relations | gcat : Political/General News | ghum : Human Rights/Civil Liberties | gcrim : Crime/Legal Action | gpir : Politics/International Relations | gvio : Military Action | gwar : War Crimes | ncolu : Columns | nedc : Commentaries/Opinions | gcns : National/Public Security | gcom : Society/Community | gpol : Domestic Politics | grisk : Risk News | gvbod : Government Bodies | ncat : Content Types | nfact : Factiva Filters | nfcpx : C&E Executive News Filter

RE russ : Russia | ukrn : Ukraine | asiaz : Asia | easiaz : Eastern Asia | eurz : Europe | uk : United Kingdom | ussrz : CIS Countries | apacz : Asia Pacific | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe | weurz : Western Europe

IPD Opinion |

IPC N/CRM

PUB Dow Jones & Company, Inc.

AN Document WSJO000020220407ei470083p

THE WALL STREET JOURNAL.

CLM CFO Journal
SE C Suite
HD **Visa Expects to Make Up Lost [Russia](#) Revenue Within a Year; Pulling out of [Russia](#) means a revenue loss of about 4%, making comparisons tough for the next couple of quarters, CFO says**
BY By Mark Maurer
WC 531 words
PD 9 April 2022
ET 00:03
SN The Wall Street Journal Online
SC WSJO
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.
LP

Visa Inc. has lost about 4% of the revenue booked during its most recent fiscal year by pulling out of Russia, but the impact is unlikely to be noticeable within a year thanks to the company's global sales growth, its finance chief said.

The San Francisco-based payments giant's exit from Russia due to its invasion of Ukraine will make it difficult to compare this year's revenue with last year's, Chief Financial Officer Vasant Prabhu said this week. "For the next couple of quarters, the comparisons will be tough," he said. "In the short run, it's lost."

TD

But by next year, the lost revenue should be made up by growth elsewhere, Mr. Prabhu said. Visa's global net revenue climbed 10% in the year ended Sept. 30 from the previous 12 months to \$24.1 billion. Russia accounted for about 4% of Visa's revenue in the year ended Sept. 30.

Visa said March 5 that it would suspend its operations in Russia. The company shut down the business five days later and began winding down pending transactions, a spokesman said.

Before the invasion, Ukraine represented 1% of Visa's revenue, the company said last month.

[Many Western businesses](#), including payments companies [Mastercard](#) Inc. and [American Express](#) Co., also said they would pause or end their operations in Russia after its invasion of Ukraine in late February.

Visa has offered relocation to all of its 210 Russia-based employees. The company is assisting those who have decided to leave in sorting out new roles, Mr. Prabhu said. The company declined to say how many workers have taken Visa's offer to relocate to another country.

"Over time, we believe that we will find roles for anyone from our Russian office who wants another job at Visa elsewhere, outside of Russia," he said.

Other companies, including ratings firm S&P Global Inc., are [offering severance packages](#) to employees in Russia who are losing their jobs.

Russians [can continue to use Visa's branded cards](#) to pay for things in the country, although the company no longer generates revenue there. The cards don't rely on U.S. systems to process payments in Russia. The cards for years have used the National Payment Card System, a homegrown network overseen by Russia's central bank.

For Visa, revenue from the rebound in global travel and the continuing recovery of the company's cross-border payments business will likely more than make up for the sales generated in Russia, said Brett Horn, senior equity analyst at financial-services firm Morningstar Inc.'s research division. Visa's global cross-border volume increased 40% in the quarter ended Dec. 31 from the prior-year period.

"I expected growth to be unusually high this year and now maybe not quite as much," Mr. Horn said.

Write to Mark Maurer at Mark.Maurer@wsj.com

[Visa Expects to Make Up Lost Russia Revenue Within a Year](#)

CO visa : Visa Inc.

IN i8150105 : Consumer Lending | i8394 : Computer Services | ifinal : Financial Services | itech : Technology | i81501 : Credit Types/Services | ibcs : Business/Consumer Services | ibnk : Banking/Credit | i8150108 : Credit Cards | ifmsoft : Financial Technology | iplastic : Electronic Payment Systems

NS c151 : Earnings | c15 : Financial Performance | c1513 : Sales Figures | c152 : Earnings Projections | c17 : Corporate Funding | c41 : Management | ccat : Corporate/Industrial News | csImc : Senior Level Management | gvio : Military Action | ncolu : Columns | gcat : Political/General News | gcns : National/Public Security | grisk : Risk News | ncat : Content Types | nfact : Factiva Filters | nfcpin : C&E Industry News Filter

RE russ : Russia | ussrz : CIS Countries | ukrn : Ukraine | asiaz : Asia | easiaz : Eastern Asia | eurz : Europe | namz : North America | uk : United Kingdom | usa : United States | apacz : Asia Pacific | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe | weurz : Western Europe

IPD Wires

IPC AXP

PUB Dow Jones & Company, Inc.

AN Document WSJO000020220408ei48006ei

SE Daily
HD **Russia** Cuts Key Interest Rate. Protecting the Ruble Is Painful.
BY By Brian Swint
WC 460 words
PD 8 April 2022
ET 20:15
SN Barron's Online
SC BON
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.
LP

The Russian central bank cut its benchmark interest rate from 20% to 17% on Friday after more than doubling it just days into the Ukraine invasion.

The previous rate hike, along with strict capital controls, financial sanctions that prevented Russian banks from selling, and oil and gas payments, have helped the currency recover to its [pre-invasion level](#) in a market with very little liquidity.

TD

"Financial stability risks are still present, but have ceased to increase for the time being, including owing to the adopted capital control measures," the central bank [said in a statement](#). The bank said annual inflation will continue to rise but that the latest weekly data "pointed to a noticeable slowdown in the current price growth rates."

It may be a symbolic victory for Russia, but it [comes at a great cost](#). Lowering the key interest rate from 20% to 17%, coming into effect from Monday, may be an acknowledgement that jacking up borrowing costs is no long-term solution for propping up the currency.

The Russian economy is heading for the worst recession since the collapse of the Soviet Union, the [U.K. government predicted](#).

Sooner or later the central bank is going to have to cut rates further — in fact, the bank itself said it "holds open the prospect of further key rate reduction" at upcoming meetings. And some 60% of Russia's foreign currency reserves are frozen, limiting the capacity for authorities to intervene directly in markets.

Russia's fighting back the best it can against having its dollars neutralized, and has been more successful than might have been expected so far. The next line of defense for the country is trying to selling gold to those nations that might still buy it in order to get around the freeze and keep energy exports flowing, Didier Darcet of Gavekal-IS wrote in a note. "Gold is becoming the referee between impermeable markets," he said.

[read more](#)

* [Russia-Ukraine War Will Change Europe Forever. How to Play It.](#)

* [Ukraine's Bid for EU Membership Is a Long Shot—for Now](#)

The currency was trading at 78 rubles to \$1 Friday, around the level it was before the invasion began on Feb.24.

The U.K. on Friday tried to ratchet up pressure on the regime by extending sanctions to President Vladimir Putin's two adult daughters, matching moves by the U.S. earlier in the week.

These sanctions are likely a long game. It will take months for them to reap their full effect, and Russia's central bank is rapidly running out of firepower to do anything about it.

[Russia Cuts Key Interest Rate. Protecting the Ruble Is Painful.](#)

CO rosgos : Central Bank of the Russian Federation

NS e12 : Monetary Policy | e1202 : Interest Rates | e51 : Trade/External Payments | ecat : Economic News
| gesanc : International Sanctions | gpir : Politics/International Relations | gtrade : Trade
Barriers/Restrictions | gvbod : Government Bodies | gcat : Political/General News | gdip : International
Relations | gpol : Domestic Politics

RE russ : Russia | ukrn : Ukraine | asiaz : Asia | easiaz : Eastern Asia | eurz : Europe | uk : United Kingdom
| ussrz : CIS Countries | apacz : Asia Pacific | bric : BRICS Countries | devgcoz : Emerging Market
Countries | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe | weurz : Western Europe

IPD Economics

IPC G/UKGV

PUB Dow Jones & Company, Inc.

AN Document BON0000020220408ei48001rx

WSJ Podcasts

CLM WSJ Podcast Minute Briefing
HD **Ukraine** Receives Soviet-Style Air-Defense System From Slovakia

WC 313 words

PD 8 April 2022

ET 21:52

SN WSJ Podcasts

SC WSJPOD

LA English

CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

Plus: Some big U.S. school systems don't plan to reinstate mask requirements, despite rising Covid-19 cases. Spirit Airlines to entertain JetBlue's unsolicited \$3.6 billion takeover offer. J.R. Whalen reports.

[Click here to listen to the podcast](#)

TD

J.R. Whalen: Here's your Midday Brief for Friday, April 8th. I'm J.R. Whalen for The Wall Street Journal.

Slovakia is sending Soviet-style military equipment to Ukraine, the latest former Communist state to do so. The country said it delivered an S-300 air defense system to Ukraine to fight Russian military aircraft, as well as short-range ballistic missiles. Russia used a similar short-range missile system to hit a train station in eastern Ukraine today, killing dozens of people.

Schools in New York City and Philadelphia, as well as more than a dozen counties nationwide with rising COVID-19 cases, say they have no plans to remask students despite the emergence of the new BA.2 variant, which is spreading throughout much of the country. An official with the American Association of School Administrators says that districts probably won't reinstate classroom mask requirements, unless the country sees another steep increase in infections.

And Spirit Airlines says it'll entertain JetBlue's unsolicited \$3.6 billion takeover offer. Although Spirit had already struck a \$2.9 billion merger agreement with Frontier Airlines, Spirit said its board determined that JetBlue's offer could lead to a "superior proposal," which under the terms of the merger agreement with Frontier would allow it to enter into talks with JetBlue.

We'll have a lot more coverage of the day's news on the WSJ's What's News podcast. You can add it to your playlist on your smart speaker or listen and subscribe wherever you get your podcasts.

CO sprtal : Spirit Airlines Inc. | frtair : Frontier Group Holdings Inc. | jetblu : JetBlue Airways Corporation | inpad : Indigo Partners, LLC

IN i75 : Airlines | itsp : Transportation/Logistics | iairtr : Air Transport | i7501 : Passenger Airlines | ilowair : Low Cost Airlines

NS cacqu : Acquisitions/Mergers | c181 : Acquisitions/Mergers/Shareholdings | gsars : Novel Coronaviruses | naudvl : Audio-visual Links | ntra : Transcripts | cactio : Corporate Actions | ccat : Corporate/Industrial News | ncolu : Columns | ctendo : Tender Offers | gcat : Political/General News | c18 : Ownership Changes | gcolu : Respiratory Tract Diseases | ghea : Health | gmed : Medical Conditions | gspox : Infectious Diseases | ncat : Content Types | nfact : Factiva Filters | nfce : C&E Exclusion Filter | nfcpx : C&E Executive News Filter | nfcpin : C&E Industry News Filter | niwe : IWE Filter

RE ukrn : Ukraine | slvak : Slovakia | asiaz : Asia | easiaz : Eastern Asia | eecz : European Union Countries | eurz : Europe | russ : Russia | uk : United Kingdom | ussrz : CIS Countries | apacz : Asia Pacific | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe | weurz : Western Europe

IPD Fortune 500

IPC I/AIR

PUB Dow Jones & Company, Inc.

AN Document WSJPOD0020220408ei48000gp

THE WALL STREET JOURNAL.

CLM Europe News
SE World
HD **What to Know as U.S., Allies Put Sanctions on [Russia](#); The U.S. and Europe are imposing a crippling package of economic penalties for [Russia](#)**
BY By Courtney McBride, Ian Talley and Laurence Norman
WC 2,582 words
PD 8 April 2022
ET 22:00
SN The Wall Street Journal Online
SC WSJO
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

The U.S. and its European allies are imposing a widening array of economic penalties on Russia in punishment for its [invasion of Ukraine](#), and pressure for tougher action is rising after Ukraine alleged that Russian forces committed [potential war crimes against civilians](#). Punitive measures rolled out so far target Russia's financial sector, major companies, President Vladimir Putin, [his daughters](#), other government officials, members of Russia's elite and the Nord Stream 2 natural-gas pipeline. The U.S. and European governments say more are forthcoming.

TD

Economic sanctions, export controls and [other measures](#) became the main tools of retaliation for the West after President Biden said that the U.S. wouldn't send troops to defend Ukraine, which isn't a member of the North Atlantic Treaty Organization.

Mr. Biden vowed that the measures would be crippling. European allies have followed suit and introduced separate penalties, showing a unity of purpose that often eluded past sanctions efforts by the U.S. Iconic Western multinationals, from Apple Inc. and Boeing Co. to Exxon Mobil Corp. and PepsiCo, [have pulled back or curtailed](#) their Russian operations in protest of the invasion, to avoid running afoul of the penalties or because sanctions are hampering delivering goods and getting paid.

As Russia's invasion presses on, some possible punishments initially left off the target list are being brought on. The U.S. and its allies in Europe overcame differences and agreed to [disconnect some Russian banks from Swift](#), the financial-messaging infrastructure that links the world's banks. After initial resistance, they are also taking [action against Russia's energy sector](#).

Biden administration officials have said some of the penalties, like the blacklisting of major banks, are designed to reverberate immediately through the Russian economy, while others, such as [export controls on certain technology products](#), would exact pain on Russian industrial and defense sectors over the longer term. Meanwhile, concerns remain that Russia could use its oil and gas exports as a weapon, as some Russian officials have suggested, disrupting markets and raising the costs to European and other consumers, but also adding to Russia's economic woes.

What are the latest sanctions and other measures to be issued?

The U.S. and European Union are making Russia's financial system a prime target and are beginning [to target its energy sector](#). They are also withdrawing from Russia the low-tariff trade status accorded to almost all nations. The goal, the allies say, is to curtail the Kremlin's ability to wage war.

The U.S. and EU [blocked the Russian central bank](#) from selling dollars, euros and other foreign currencies in its reserves stockpile, constraining its ability to stabilize the ruble and fight inflation. Sanctions placed on a Russian sovereign-wealth fund also limit Russia's ability to raise money abroad.

The U.S., EU, the U.K. and Canada started to [remove some Russian banks](#) from the Swift financial network, hampering their ability to operate globally.

The U.S. imposed full-blocking sanctions on VTB and Sberbank, Russia's biggest financial institutions, freezing any assets held by U.S. financial institutions and barring any transactions involving the banks from American financial networks. The Biden administration also placed [blocking sanctions on Alfa Bank](#), one of Russia's largest private banks. Dozens of other financial institutions have been added to [sanctions rolls](#). All told, the Treasury Department said, the actions target 80% of all banking assets in Russia and limit the country's access to the global financial system.

The Biden administration is prohibiting new investment in Russia by Americans and has also barred American individuals and firms from dealing in Russian sovereign debt, cutting off a key funding source for Kremlin objectives. It has also blocked Russia from using U.S. banks to make good on [foreign debt payments](#), rescinding a previous exemption and pitching Moscow closer to a [sovereign default](#).

Allies in Europe are taking some similar moves. EU sanctions are cutting 70% of Russia's banking system off from international financial markets. The EU is also banning the rating of Russia and Russian companies by EU credit-ratings firms and the provision of rating services to Russian clients. In the U.K., the government passed legislation to bar the Russian government and several major state-linked companies from issuing debt in the U.K.

Together, the U.S., its allies in Europe and elsewhere also [restricted exports](#) of certain technologies to Russia, and in the U.S.'s case, to Russian ally Belarus.

The U.S. and EU export controls target Russia's defense, aerospace and maritime industries. The restrictions apply to semiconductors, computers, telecommunications, information-security equipment, lasers and sensors.

Those restrictions cover items produced in the U.S. as well as foreign items made using U.S. equipment, software and blueprints, according to the Commerce Department, applying [a tactic it used to batter](#) the Chinese telecommunications networking-equipment maker Huawei Technologies Co.

The Commerce Department, in its first enforcement action, [issued orders to deny three Russian airlines](#)—Aeroflot, Azur Air and UTair—the ability to access U.S.-made parts or services anywhere in the world. The order named foreign destinations those airlines were serving, including China, in what an export-control lawyer said is a warning to those governments not to circumvent the controls.

As part of that [effort to hit Russia's technology ambitions](#), the U.S. placed financial sanctions on the largest Russian microchip manufacturer, Mikron, supercomputer company T-Platforms and Serniya Engineering, a firm that the U.S. Treasury Department said oversaw a network of companies that procured technology and dual-use goods from abroad for the military and intelligence services.

U.S. and European officials have recently switched their focus to trying to tighten the effectiveness of the sanctions measures already taken and press other countries to avoid helping Russia circumvent the measures.

The European Commission, the EU's executive body, has ordered [a fifth package of sanctions](#) including new targets and steps intended to close loopholes in previous measures. Among the measures are an EU-wide prohibition on imports of Russian coal and a ban on Russian road freight and Russian-operated vessels coming into the bloc.

How has Russian President Vladimir Putin responded?

Mr. Putin has been undeterred by U.S. and European sanctions, proceeding with a further invasion of Ukraine on multiple fronts and [battering residential and other nonmilitary areas](#) to try to demoralize Ukrainians. In announcing what he called the "special military operation" against Ukraine, Mr. Putin also [warned of retaliation](#) if others try to interfere. Russia's Foreign Ministry in March announced sanctions on Mr. Biden, Secretary of State Antony Blinken, CIA Director William Burns and others in the administration, as well as former Secretary of State Hillary Clinton and Mr. Biden's son Hunter Biden.

Russia is a critical supplier of energy and other resources, accounting for 40% of the EU's natural-gas supplies last year. A concern among Western policy makers is that Russia could cut off or reduce that supply—a shock that would be felt not only by consumers in Europe but across global markets. Using that as leverage, Mr. Putin has said Russia [would demand payment for natural gas in rubles](#). Russia's state-owned natural gas giant Gazprom PJSC terminated its business entity in Germany, prompting the German government [to take control of the unit](#) temporarily to prevent any disruption.

The Biden administration [banned imports of Russian oil](#), certain petroleum products, liquefied natural gas and coal, though only about 8% of U.S. imports of oil and refined products come from Russia. The EU announced a broad ban on investment in Russia's energy sector and is promising to cut its imports of Russian natural gas by two-thirds by the end of this year, while the U.K. said it would end Russian oil

imports, currently 8% of the nation's demand, by the end of the year. The U.S. has also been trying to persuade oil and natural-gas suppliers to try to arrange for [stopgap supplies](#).

The European Commission's latest package, while steering clear of oil and natural gas, bans purchases of Russian coal. It's the first serious energy-import ban the EU has adopted.

Beyond energy, the EU is prohibiting the sale of high-value luxury goods to Russia and barring imports of [Russian caviar, vodka](#) and steel. The Biden administration has [banned imports of Russian seafood, vodka and diamonds](#), and is moving [to sever normal trade ties](#).

Collectively, the leaders of the Group of Seven affluent democracies have also pledged to remove the normal trade status accorded Russia. The U.S. Congress [has passed legislation to rescind](#) the status for Russia and Belarus too. The G-7 leaders also said they would urge other World Trade Organization members to do the same. The G-7 also said they were [working to prevent Russia from obtaining financing](#) from leading multilateral financial institutions, including the International Monetary Fund.

Moscow has tried to make its economy more resistant to sanctions, following the imposition of more limited sanctions by the U.S. and Europe in 2014, when Russia annexed Ukraine's Crimea region and fomented pro-Russian separatist rebellions in the country's east.

[Russia has weaned itself off the dollar](#) and reduced the share of its debt held by foreign investors. The government has run a conservative fiscal policy and kept its government debt under 20% of GDP, compared with 133% in the U.S., according to IMF data. It has also amassed a significant financial buffer, with international reserves, including gold holdings and foreign currency, reaching an all-time high of \$630 billion in December, one of the world's biggest, according to central-bank data.

What impact are the economic penalties likely to have?

Biden administration officials have said the penalties are designed to weaken the ruble, crash Russia's stock market and over time erode the Russian economy, which is highly dependent on energy exports, and sap support for Mr. Putin. After Western allies moved against its financial system and central-bank reserves, Russia shut its stock market to stave off an expected fire sale and saw the ruble [lose around a third of its value](#) against the dollar despite capital controls. Since then, the ruble [has recovered much of that ground](#) and stabilized, with the central bank placing limits on the buying and selling of the currency. The stock market has resumed trading, with foreigners, who make up a sizable chunk of the market, [blocked from selling their shares](#).

Among the [targets of Western sanctions](#) are members of the Russian elite, key principals in Mr. Putin's inner circle such as Russian Defense Minister Sergei Shoigu and Foreign Minister Sergei Lavrov, and Mr. Putin himself. The EU is freezing any assets Mr. Putin and Mr. Lavrov hold in the bloc, but they aren't being subjected to a travel ban, according to EU officials and diplomats, to keep open a channel for diplomacy.

The U.S. measures, announced by the White House, include a travel ban on Mr. Putin and an asset freeze. The moves are intended to politically isolate Mr. Putin on the world stage, according to former officials. Russia specialists say Mr. Putin's wealth is largely held in the names of associates, blunting the impact of sanctions.

The Justice Department launched a new task force to hunt down and seize the luxury real estate, private jets, yachts and other assets of Russian oligarchs stashed around the globe. As part of that effort, U.S. and Spanish authorities seized what they said is [a \\$90 million super yacht in Spain owned by Viktor Vekselberg](#), a sanctioned oligarch with ties to Mr. Putin, according to a U.S. court filing.

French authorities said [they seized a yacht](#) belonging to a company majority owned by Igor Sechin, the chief executive of Russian oil producer Rosneft. The U.K. followed, freezing Mr. Sechin's assets and imposing a travel ban on him.

The U.S., which has blacklisted Russian oligarchs in the past, has broadened the moves during the Ukraine crisis, targeting relatives as well. Two daughters of Mr. Putin, Katerina Vladimirovna Tikhonova, a tech executive, and Maria Vladimirovna Vorontsova, who leads state-funded programs, would have any property or interests in property blocked under their blacklisting, according to the U.S. Treasury Department. The U.K. and the EU also ordered their assets frozen and placed them under a travel ban.

The U.K., which has been a magnet for Russia's wealthy, has blacklisted a spiraling number of [tycoons, entities and subsidiaries](#), with more than 1,000 named. The U.K. also said it would limit the funds Russian nationals may deposit in banks to £50,000, or about \$67,000, and ban Russian national carrier [Aeroflot's](#) aircraft from landing in Britain's airports, which include international hubs like Heathrow.

Russian tycoon Roman Abramovich, the billionaire owner of British soccer club Chelsea FC who had previously escaped being sanctioned, saw that status change two weeks into the war. The U.K. government ordered a freeze on Mr. Abramovich's U.K. assets and blocked his travel to Britain. Mr. Abramovich previously said he would [sell his soccer club](#) following calls by some British lawmakers for him to be sanctioned over his past ties to the Kremlin. Any sale is blocked under the sanctions, though the government said it would provide a special license to allow Chelsea to continue to operate.

Has Russia been sanctioned in the past?

The U.S. and EU have sanctioned the Russian government and its operatives for past actions, including [the use of a nerve agent against a former spy](#) and his daughter in the U.K. and alleged human-rights abuses. Russian mercenary company Wagner Group and its founder Yevgeny Prigozhin, a close ally of Mr. Putin, have also been blacklisted.

Russia was removed from the Group of 8 industrialized nations in March 2014 following its occupation and attempted annexation of Crimea; the grouping reverted to its former moniker, the Group of 7.

During the Trump administration, the U.S. also sanctioned companies working on the construction of Nord Stream 2, the Russian-backed pipeline carrying natural gas to Germany that U.S. officials have long warned Moscow would use as a geopolitical weapon. The Biden administration in May 2021 sanctioned Nord Stream 2 AG, the Swiss-registered company behind the project, and its chief executive, but then set aside any penalties, in a move seen as [a gesture to Berlin](#), which supported the pipeline.

After Mr. Putin said Russia would recognize the independence of two Russian-backed breakaway regions, setting the stage for the invasion, the Biden administration reinstated those sanctions for Nord Stream 2. That came after Germany said [it was suspending the project](#).

Nord Stream 2 AG then [laid off its staff](#)—more than 100 workers—and wound down its operations, according to a Swiss official.

This article may be updated.

Write to Courtney McBride at courtney.mcbride@wsj.com, Ian Talley at Ian.Talley@wsj.com and Laurence Norman at laurence.norman@wsj.com

[What to Know as U.S., Allies Put Sanctions on Russia](#)

CO nsttwa : Nord Stream 2 AG

IN i1 : Energy | i1300006 : Pipeline Transportation | iaer : Aerospace/Defense | iindstrls : Industrial Goods | ifosfl : Fossil Fuels | imidstr : Oil/Natural Gas Midstream Operations

NS gtrade : Trade Barriers/Restrictions | c13 : Regulation/Government Policy | ccat : Corporate/Industrial News | e51 : Trade/External Payments | ecat : Economic News | gesanc : International Sanctions | gpir : Politics/International Relations | gpol : Domestic Politics | gspy : Espionage | gvbod : Government Bodies | gvcng : Legislative Branch | gvio : Military Action | gvtre : Finance/Treasury Department | ncolu : Columns | gcat : Political/General News | gcns : National/Public Security | gdip : International Relations | grisk : Risk News | gvexe : Executive Branch | ncat : Content Types | nfact : Factiva Filters | nfcpin : C&E Industry News Filter

RE russ : Russia | usa : United States | asiaz : Asia | crimea : Crimea | easiaz : Eastern Asia | eurz : Europe | gfr : Germany | namz : North America | uk : United Kingdom | ukrn : Ukraine | ussrz : CIS Countries | weurz : Western Europe | apacz : Asia Pacific | bric : BRICS Countries | dach : DACH Countries | devgoz : Emerging Market Countries | dvpcoz : Developing Economies | eecz : European Union Countries | eeurz : Central/Eastern Europe

IPD WSJ

IPC AFLT.MZ

PUB Dow Jones & Company, Inc.

AN Document WSJO000020220408ei480053d

HD The Ukraine Crisis: Moscow Evades Sanctions to Land Seafood on U.S. Tables

BY By Yuka Hayashi

WC 674 words

PD 8 April 2022

SN The Wall Street Journal

SC J

PG A9

LA English

CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

WASHINGTON -- The breaded fish sticks on your dinner plate may be made with fish caught in Russian waters, despite a new import ban on Russian seafood.

The U.S. government in March banned imports of Russian fish and seafood products, along with other consumer items such as vodka and diamonds, as part of its expanding package of sanctions against Russia over its invasion of Ukraine. Still, many tons of Russian fish have been allowed to slip into the U.S. That is because, fishery industry experts say, complex supply chains that route through China often mask the Russian origin of the seafood -- and the U.S. lacks the tools to trace these products.

TD

"The American consumers do not support rebranded Russian seafood entering our markets. But unfortunately, they do not know because it is disguised as a Chinese product," said Sally Yozell, senior fellow and director of the Environmental Security program at the Stimson Center.

For example, 27% of the fish caught by Russian vessels in Russian waters was estimated to have been shipped to China to be processed before being exported to the U.S., said a 2021 report by the U.S. International Trade Commission. The fish products included pollock processed into filets or fish sticks, or salmon canned at Chinese factories. These items are classified as imports from China, allowing them to bypass the current sanctions. Frozen crabs often are labeled as Alaskan crabs even if they are caught in Russia.

The fish stakes are huge for Russia as well as China. The U.S. imported \$1.2 billion worth of seafood from Russia last year, a record amount and nearly triple the level in 2016, according to Commerce Department data, with crabs making up most of the overall imports. The amount is likely much higher if Chinese-processed Russian seafood is included, Ms. Yozell said.

The fish most likely to slip through the import ban is pollock, an inexpensive white fish used in breaded fish sticks, filet and fish-and-chips meals served in individual restaurants.

Americans consumed about 1 pound of pollock per person in 2019, making the unsung species the most popular fish after shrimp, salmon and canned tuna, according to the federal National Oceanic and Atmospheric Administration, or NOAA. The main fishing grounds for pollock are the Bering Sea between Alaska and the Russian Far East, making Russia and the U.S. main providers of the fish.

The Association of Genuine Alaska Pollock Producers, a group representing Alaskan pollock harvesters and processors, estimates roughly 40% of pollock marketed to U.S. consumers are caught in Russian waters by Russian vessels. Nearly all of those fish are processed into filets and frozen in Chinese factories before entering the U.S., according to the association. That step in the supply chain provides them with made-in-China labels.

Chuck Hosmer, key principal of Romanzof Fishing Co. LLC, a Seattle-based fishing-vessel operator, said U.S. and Russian boats fish for crab and pollock in such proximity in the Bering Sea that they sometimes literally see each other. "We are very hopeful that this will reduce the amount of seafood we have to compete against domestically," he said of the sanctions. "We get undercut by Russian products because their cost of doing business is much less."

Environmental groups and some lawmakers say one way to make the import ban more effective is to expand the seafood-import monitoring system.

Melaina Lewis, a spokeswoman for the National Fisheries Institute, a trade group of U.S. seafood businesses, said the effort to expand the system in the guise of Russian sanctions is "disingenuous." The group supports a targeted response to hold Russia accountable, but points to the sanctions' impact on seafood supplies and American seafood businesses.

"We support a strong and smart response that is targeted and avoids unnecessary economic collateral damage on U.S. workers," she said.



[License this article from Dow Jones Reprint Service](#)

CO envsec : Environmental Security | usagov : United States Federal Government

IN i415 : Seafood Products | ifood : Food Products | iphmm : Medical/Surgical Materials | iproclth : Safety/Protective Clothing | i951 : Healthcare/Life Sciences | ict : Clothing/Textiles | i372 : Medical Equipment/Supplies | i41 : Food/Beverages | i453 : Clothing | icnp : Consumer Goods

NS gtrade : Trade Barriers/Restrictions | c13 : Regulation/Government Policy | gesanc : International Sanctions | nimage : Images | nmajev : Major News Events | ntop : Top Wire News | c12 : Corporate Crime/Legal Action | reqrct : Suggested Reading Clothing/Textiles | reqrhc : Suggested Reading Healthcare | ccat : Corporate/Industrial News | e51 : Trade/External Payments | ecat : Economic News | gcat : Political/General News | gdip : International Relations | gpip : Politics/International Relations | ncat : Content Types | ndj : Dow Jones Top Stories | nfact : Factiva Filters | nfcpx : C&E Executive News Filter | nfcpin : C&E Industry News Filter | redit : Selection of Top Stories/Trends/Analysis | reqr : Suggested Reading Industry News

RE russ : Russia | usa : United States | china : China | ukrn : Ukraine | apacz : Asia Pacific | asiaz : Asia | bric : BRICS Countries | chinaz : Greater China | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | easiaz : Eastern Asia | eeurz : Central/Eastern Europe | eurz : Europe | namz : North America | ussrz : CIS Countries

IPC PIC

PUB Dow Jones & Company, Inc.

AN Document J000000020220408ei4800018

WSJ Podcasts

CLM WSJ Podcast Minute Briefing
HD In **Ukraine**, Missile Attack on Train Station Kills More Than 30 People
WC 354 words
PD 8 April 2022
ET 15:19
SN WSJ Podcasts
SC WSJPOD
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

A U.S. appeals court reinstates the Biden administration's Covid-19 vaccine mandate for federal employees. Medicare limits payments for Biogen's Alzheimer's disease drug Aduhelm. Keith Collins hosts.

[Click here to listen to the podcast](#)

TD

Speaker 1: Here's your morning brief for Friday, April 8th. I'm Keith Collins for the Wall Street Journal. In Eastern Ukraine, a Russian missile attack killed more than 30 people and injured over 100 others at a train station who were trying to flee the country, according to railway authorities. Russian state media said that the self-proclaimed the Donetsk People's Republic in the Donbas region that blamed the attack on a Ukrainian missile. A Ukrainian presidential advisor says fierce fighting has been reported in the Luhansk area as Moscow focuses its efforts on parts of the Donbas region of Eastern Ukraine that are still under Kiev's control. Russia's Foreign Minister says peace talks have left the two sides farther apart than they were in late March.

A US appeals court reinstated the Biden administration's COVID-19 vaccine mandate for federal employees, overturning a nationwide injunction by a Texas federal judge in January. The Appeals Court held that it wasn't the judiciary's role to adjudicate the dispute though it said unvaccinated workers seeking to avoid discipline first had to pursue their grievances through administrative channels.

Medicare will only pay for Alzheimer's disease drug Aduhelm if the patient is enrolled in a clinical trial, according to officials. The unusually strict policy is expected to significantly limit the number of people taking Aduhelm, as well as the drug's commercial potential. Drugmaker Biogen says the move will effectively deny all Medicare patients' access to Aduhelm.

Markets in Asia ended higher and European shares rose in early trading. We have a lot more coverage of the day's news on the WSJ's What's News podcast. You can add it to your playlist and your smart speaker, or listen and subscribe wherever you get your podcast.

IN indgdr : Neurodegenerative Disease Drugs | i257 : Pharmaceuticals | i951 : Healthcare/Life Sciences | idrugty : Specialized Drugs/Medications
NS gimmu : Immunizations | gsars : Novel Coronaviruses | naudvl : Audio-visual Links | ntra : Transcripts | gpir : Politics/International Relations | gvio : Military Action | ncolu : Columns | gcat : Political/General News | gcns : National/Public Security | gcol : Respiratory Tract Diseases | ghea : Health | gmed : Medical Conditions | grisk : Risk News | gspox : Infectious Diseases | gtrea : Medical Treatments/Procedures | ncat : Content Types | nfact : Factiva Filters | nfce : C&E Exclusion Filter | nfcpx : C&E Executive News Filter | niwe : IWE Filter
RE ukrn : Ukraine | eurz : Europe | uk : United Kingdom | dvpcz : Developing Economies | eeurz : Central/Eastern Europe | weurz : Western Europe
IPD SYND
IPC N/GEN
PUB Dow Jones & Company, Inc.

HD The **Ukraine** Crisis: Shell Faces Up to a \$5 Billion Hit From **Russia** Exit

BY By Jenny Strasburg

WC 445 words

PD 8 April 2022

SN The Wall Street Journal

SC J

PG A9

LA English

CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

Shell PLC said it expects to book accounting charges of up to \$5 billion in the first quarter related to its decision to exit its Russia operations, including joint ventures with energy giant Gazprom PJSC, in the wake of Russia's invasion of Ukraine.

The London-based oil major provided the guidance on Thursday ahead of quarterly earnings scheduled for May 5. The disclosure gives investors additional clues about the impact Western companies face as a result of moves to divorce themselves from Russia.

TD

On Feb. 28, Shell said it would end its involvement in financing the Nord Stream 2 natural-gas pipeline project. The company also said it would exit its 27.5% stake in a major offshore-gas project in Russia's Far East that is 50%-owned by Gazprom and supplies about 4% of the world's liquefied-natural-gas market. At that time, Shell said the value of its noncurrent assets tied to its Russian ventures was about \$3 billion.

The range of expected charges Shell provided Thursday, of \$4 billion to \$5 billion, includes other estimated impacts of quitting its Russian operations such as the possibility of unpaid contracts and other credit losses.

That range also encompasses Shell's decision announced March 8 to stop all spot purchases of Russian crude and phase out its trading and other operations tied to Russia. The company said at the time it had about \$400 million in assets tied to those activities. Shell's Russia assets were held as noncurrent, referring to long-term investments not readily converted to cash.

Beyond the impact of the Russia exit, Shell said it expects to report strong first-quarter earnings in its large LNG business, as well as from oil and gas trading.

Higher volatility in commodity prices will, though, lead to about \$7 billion in cash outflows tied to inventory and other costs. Across the commodities industry, swings in prices fueled by disrupted shipments and supply uncertainties have made holding assets more costly for companies that trade everything from oil and grains to natural gas and metals.

RBC Capital Markets analyst Biraj Borkhataria said the overall LNG and oil-products trading estimates were positive, and that Shell's chemicals unit appeared on track to exceed estimates.

Shell's first-quarter earnings for the first time will break out profit from its renewable-energy business, which will no longer be wrapped into the integrated-gas business segment. The change reflects an increased focus on lower-carbon energy by investors and companies industrywide.

[License this article from Dow Jones Reprint Service](#)

CO gzprm : Gazprom PJSC | rnlp : Shell PLC

IN ifosfl : Fossil Fuels | i1 : Energy | iioil : Integrated Oil/Gas | i13 : Crude Oil/Natural Gas Upstream Operations

NS c151 : Earnings | c184 : Joint Ventures/Consortia | neqac : Equities Asset Class News | c15 : Financial Performance | c18 : Ownership Changes | cactio : Corporate Actions | ccat :

Corporate/Industrial News | ncat : Content Types | nfact : Factiva Filters | nfcpin : C&E Industry News Filter

RE russ : Russia | ukra : Ukraine | ussrz : CIS Countries | eurz : Europe | asiaz : Asia | bric : BRICS Countries | devgcoz : Emerging Market Countries | dypcoz : Developing Economies | eeurz : Central/Eastern Europe

IPC ABO

PUB Dow Jones & Company, Inc.

AN Document J000000020220408ei4800026

HD The Ukraine Crisis: U.S. Acts to Block Technology, Other Exports to Kremlin

BY By Kate O'Keeffe

WC 741 words

PD 8 April 2022

SN The Wall Street Journal

SC J

PG A8

LA English

CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

WASHINGTON -- The U.S. took its first actions Thursday to enforce sweeping restrictions on the export of technology and industrial goods to Russia, a warning to Russian companies and any foreign countries who seek to help them circumvent the measures aimed at undermining Russia's defense and technology industries.

Commerce Department officials said they were issuing orders to deny three Russian airlines -- Aeroflot, Azur Air and UTair -- the ability to access U.S.-made parts or receive services from anyone anywhere in the world. They said they were taking the actions after the airlines violated export controls by flying U.S.-made aircraft or foreign-made aircraft containing U.S. parts. None of the airlines could be reached to comment.

TD

U.S. officials said the airlines were operating flights within Russia and to and from countries including China, India, Turkey and the United Arab Emirates, rendering them subject to the U.S. export controls and requiring them to obtain licenses, which they didn't have, officials said.

Analysts and officials have been concerned that China, Russia's strategic partner, would help Russia circumvent the controls.

In response to a question about China's compliance with the controls thus far, a senior Commerce Department official said that "the U.S. government has clearly communicated -- from President Biden to President Xi down -- that should China choose to provide material or other support to Russia there will be consequences." The official added that the agency and U.S. allies and partners continue to monitor transactions between Russian and Chinese entities for compliance with export controls.

A lawyer familiar with the controls said the U.S. decision to name the foreign destinations of the Russian airlines -- including China -- is a warning to those countries. The person said even helping to fuel Russian aircraft would violate the export restrictions.

The export controls, initiated in tranches beginning in February, target Russia's defense, aerospace and maritime industries in response to the invasion of Ukraine. Coordinated with allies in Europe, Japan and elsewhere, the restrictions are part of broader sanctions that have rattled Russia's markets and currency and hobbled its economy.

The renewable Temporary Denial Orders issued Thursday are among the most severe civil penalties the U.S. can issue over an export control matter, and could ground the airlines over time by cutting them off from necessary support and maintenance, the officials said.

Ultimately, however, the new orders are an intermediate step. They don't come with any criminal penalties, and they still enable the airlines to apply for licenses for items or support necessary for "safety of flight." Senior Commerce Department officials said such requests would be considered only on a narrow basis, such as in the case of a product recall, and not simply to facilitate regular operations.

Officials said they could escalate penalties against the airlines and that they expect to take additional actions against other potential violators in the future.

Companies that flout the export controls "will feel the full force of the Department's enforcement," Commerce Secretary Gina Raimondo said.

Chinese officials have objected to the export controls, saying they will unfairly harm Chinese companies and disrupt efforts to reach a political settlement over Ukraine. "China has been carrying out open, transparent and normal business cooperation with Russia" and such commerce "deserves to be respected and maintained," Liu Pengyu, Chinese Embassy spokesman in Washington, said Thursday.

Overall, U.S. officials said that the export controls imposed by the U.S. and its allies are working. Deputy Secretary of Commerce Don Graves said U.S. exports to Russia of items subject to the new licensing requirements have decreased 99% by value compared with the year-earlier period.

Many U.S. companies have halted business in Russia even though they weren't required to under the controls. Beyond the restrictions on technology exports, the logistics of delivering products to Russia are now more complicated, lawyers have said. Another concern is how companies would get paid for their products given the financial sanctions, they said.

U.S. officials have also been engaged in a global outreach campaign to educate people about the rules. One important reason the controls have been largely effective, they have said, is that U.S. allies and partners pledged to implement similar restrictions on Russia.

[License this article from Dow Jones Reprint Service](#)

IN i7501 : Passenger Airlines | i75 : Airlines | i32 : Machinery | iairtr : Air Transport | iindstrls : Industrial Goods | itsp : Transportation/Logistics

NS gvcom : Commerce Department | ecat : Economic News | c312 : Corporate/Industry Exports | c13 : Regulation/Government Policy | gesanc : International Sanctions | gtrade : Trade Barriers/Restrictions | neqac : Equities Asset Class News | reqrai : Suggested Reading Airlines | ccat : Corporate/Industrial News | cdom : Domestic/Foreign Markets | e51 : Trade/External Payments | gcat : Political/General News | gdip : International Relations | gpir : Politics/International Relations | gpol : Domestic Politics | gvbod : Government Bodies | gvexe : Executive Branch | ncat : Content Types | nfact : Factiva Filters | nfcpin : C&E Industry News Filter | redit : Selection of Top Stories/Trends/Analysis | reqr : Suggested Reading Industry News

RE russ : Russia | china : China | india : India | turk : Turkey | uae : United Arab Emirates | ukrn : Ukraine | usa : United States | apacz : Asia Pacific | asiaz : Asia | balkz : Balkan States | bric : BRICS Countries | chinaz : Greater China | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | easiaz : Eastern Asia | eeurz : Central/Eastern Europe | eurz : Europe | gulfstz : Persian Gulf Region | indsubz : Indian Subcontinent | meastz : Middle East | medz : Mediterranean | namz : North America | sasiaz : Southern Asia | ussrz : CIS Countries | wasiaz : Western Asia

IPC ABO

PUB Dow Jones & Company, Inc.

AN Document J000000020220408ei480001q

HD The U.S. Can Win **Russia's** Neighbors Over

BY By Ariel Cohen

WC 522 words

PD 8 April 2022

SN The Wall Street Journal

SC J

PG A17

LA English

CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

Vladimir Putin's war against Ukraine has provided the U.S. with a critical opportunity to diminish Russia's influence over its neighbors by giving them technical assistance, economic development and security that neither Moscow or Beijing can.

The peoples of Central Asia and the Caucasus support Ukraine's struggle. They remember the conquest by their former imperial masters, the czars and communists. They remember the forced Russification and collectivization of agriculture.

TD

Today, many of these countries refuse to back Russia openly and support Ukraine's territorial integrity, as Kazakh President Kassym-Jomart Tokayev declared Monday. Uzbek Foreign Minister Abdulaziz Kamilov has refused to recognize the independence of the Moscow-supported secessionist enclaves of Donetsk and Luhansk. Georgia vociferously declared its support of Ukraine, and together with Moldova applied to join the European Union.

Despite their sympathy for Ukraine, Russia's neighbors still are intimidated by their nuclear-armed ex-master. Yet it's telling that Moscow feels the need to continue threatening them. Last week, Russian Duma member Mikhail Deliyagin called for the destruction of Azerbaijan's oil industry and asked followers on social media if nuclear weapons would be an appropriate means. (He later denied he was calling for their use.) Two weeks ago, Russia shut down the pipeline that brings Kazakh oil to the world market at the Russian port of Novorossiysk. The pipeline's operators say it may be unusable for two months because of storm damage, something industry experts told me isn't possible. It may be a message to Kazakhstan over Ukraine.

Kazakhstan is under sustained, low-intensity pressure from Russian politicians such as Gennady Zyuganov, who talks about the need to protect Russian-speakers in the north of Kazakhstan -- similar to the Russian pretext for invading Ukraine.

The U.S. needs to be ready to step in and provide a geopolitical alternative to Moscow and Beijing. America should offer the countries of the Caucasus and Central Asia security and intelligence cooperation, investment, educational opportunities, technical assistance to promote transparency, good governance, legal reforms, and training for private-sector executives and the state apparatus.

Washington and the European Union would also do well to increase their purchases of raw materials, other goods and services from non-Russian Eurasia. Remittances from Russia for migrant workers in Central Asia are economically vital and expected to fall as economic pressure on Russia worsens. In 2020, Kyrgyzstan and Tajikistan respectively received 31% and 27% of their annual gross domestic product in remittances. Uzbekistan received almost 12%. Sanctions aimed at Russia also should be tailored not to hurt U.S. regional partners.

The war in Ukraine may be the opening salvo of a much broader conflict that will engulf the world. Central Asia is a critical theater as it is surrounded by the four nuclear powers -- Russia, China, Pakistan and India -- and the aspirant Iran. Controlling this area will be critical to combating the hegemonic aspirations of Moscow and Beijing.

Mr. Cohen is a nonresident senior fellow at the Atlantic Council.

[License this article from Dow Jones Reprint Service](#)

NS gcat : Political/General News | gvio : Military Action | nedc : Commentaries/Opinions | gcns : National/Public Security | grisk : Risk News | ncat : Content Types | nfact : Factiva Filters | nfcpx : C&E Executive News Filter

RE russ : Russia | ukrn : Ukraine | grgia : Georgia | kazk : Kazakhstan | kirgh : Kyrgyzstan | tadzk : Tajikistan | usa : United States | uzbk : Uzbekistan | asiaz : Asia | bric : BRICS Countries | casiaz : Central Asia | devgcoz : Emerging Market Countries | dvpcos : Developing Economies | eeurz : Central/Eastern Europe | eurz : Europe | namz : North America | ussrz : CIS Countries | wasiaz : Western Asia

IPC IGV

PUB Dow Jones & Company, Inc.

AN Document J000000020220408ei480001n

HD The **Ukraine Crisis: Belarusians, Russians Join **Ukraine** Forces**

BY By Isabel Coles and Yaroslav Trofimov

WC 1,107 words

PD 8 April 2022

SN The Wall Street Journal

SC J

PG A9

LA English

CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

KYIV, Ukraine -- For Pavel Kulazhanka, just like many Belarusian and Russian fighters who have joined Ukraine's military in recent weeks, the path to freedom at home runs through defeating the Russian army here first.

Hundreds of volunteers from Belarus have joined a dedicated Belarusian battalion and other formations of Ukrainian armed forces since Russian President Vladimir Putin triggered the invasion on Feb. 24, with more than a 1,000 others awaiting vetting and training, say Belarusian opposition leader.

TD

Foreigners who serve in its armed forces are eligible for Ukrainian citizenship.

Freedom for Russia, a separate unit staffed by Russian citizens, including prisoners of war who have switched sides, also is preparing to deploy to the front lines. It is backed by some prominent Russian opposition leaders in exile, who say that the presence of Russian soldiers helping defend Ukraine and prevent atrocities would go a long way toward healing the rift between the two peoples.

To the Belarusians, many of whom fled the repression unleashed by President Alexander Lukashenko after the fraud-marred 2020 presidential election, the fight in Ukraine is a steppingstone to liberating their homeland. While Mr. Lukashenko stopped short of sending the Belarusian army to Ukraine, he has allowed Russia to use Belarus as a staging ground for the invasion.

"Without an independent Ukraine, there won't be an independent Belarus," said Mr. Kulazhanka, who arrived in Kyiv several weeks ago and is now a soldier in the Belarusian-run Kastus Kalinouski Battalion. "The second stop is going to be Belarus."

The battalion is named after a leader of the 1863 uprising against czarist Russia in what is now Belarus, Lithuania, Poland and Ukraine. It has about 200 members so far, from activists and bloggers with no combat experience to veterans of the 2014-2015 war against Russian-backed forces in eastern Ukraine's Donbas region. The battalion has engaged in battles to defend Kyiv, which Russian forces failed to seize after five weeks.

There is another Belarusian battalion being formed, Pahonia, as well as Belarusian units within Ukrainian territorial defense forces in some cities, said Franak Viacorka, an adviser to Belarusian opposition leader Sviatlana Tsikhanouskaya, who stood against Mr. Lukashenko in the 2020 election and is exiled in Lithuania. Belarusian activists also have been working to sabotage railways used by Russian forces to ship troops and supplies to the Kyiv front.

Belarusians fighting in the ranks of the Ukrainian armed forces today will be building the army of a new Belarus when Mr. Lukashenko's regime collapses, he said.

Belarus's population, unlike Russia's, is deeply opposed to the war in Ukraine, said U.S. Special Envoy for Belarus Julie Fisher. "There is a real disbelief -- by those inside and outside Belarus -- that Lukashenko would allow Belarusian territory to be used like this," she said.

Shortly after Russia started the war, Ukrainian President Volodymyr Zelensky invited volunteers from all over the world to come help fight for Ukraine's independence in the newly created International Legion, a unit created along the lines of the International Brigades that fought for the Spanish republic

in the 1930s civil war there. The legion's recruits include many citizens of Western nations, including former U.S. and British veterans.

Pahonia is part of this International Legion but the Kastus Kalinouski battalion has been incorporated into regular Ukrainian forces under its own, Belarusian, commander. Ukrainian officers usually command units of the International Legion. Three members of the battalion have been killed in combat so far, according to Mr. Kulazhanka.

While the Belarusian opposition has long been inspired by Ukraine's resistance to Russia and attempts to impose authoritarian rule, the arrival of Russians willing to fight against their own compatriots is relatively new. The uniforms of the Freedom for Russia unit have the white-blue-white patch, in the colors of a new Russian flag favored by some opponents of Mr. Putin.

Wearing black balaclavas, three men addressed a news conference Tuesday in Kyiv, explaining how they joined the unit. Each of them said he had deployed to Ukraine with the Russian military but experienced second thoughts after being taken prisoner.

"It turned out that we were tricked into this war," said one of the men, who noted he had been a sergeant with the Russian special forces. "This legion has been created to fight against Putin's regime."

They declined to provide evidence of previous Russian service and said they had fought on the Ukrainian side but didn't share details about units or battles in which they had participated. They also declined to say how the Ukrainian military used them or how many members were in their group. They said they had incorporated Belarusian soldiers into the legion.

Former Russian lawmaker Ilya Ponomarev, who was the only member of the Russian parliament to vote against the annexation of Ukraine's Crimea peninsula in 2014 and now lives in Kyiv, said: "I know thousands and thousands of people in Russia who desire to fight in this war against Putin's army. They don't want to kill fellow Russians but they want to kill Putinists, who have become just the same as the fascists of 80 years ago."

Marat Gelman, a Russian art collector and opposition politician who once advised Mr. Putin and served as deputy chief of Russia's main state TV channel, said that while Russian volunteers fighting for Ukraine today may not be a significant military force, their political importance can't be overstated.

Mr. Kulazhanka watched the crisis at home unfold from New York, where he worked as a bouncer and mixed martial arts trainer. Before moving to the U.S., Mr. Kulazhanka served for seven years in Belarus's special forces.

In New York when the invasion of Ukraine began, Mr. Kulazhanka went to the Ukrainian consulate and signed up.

A fellow soldier, Konstantyn Sunzyk, fled to Ukraine after Belarusian authorities issued a second warrant for his arrest in 2020. The 31-year-old had worked on the campaign of Belarusian opposition leader Viktor Babaryka, who was imprisoned before the election and disqualified from running.

Serhiy Bespalov also fled Belarus in 2020 after several of his friends were held for their role in protests. "I was pretty likely to be a target," he said. The journalist and blogger, who runs several opposition Telegram channels and has no prior military experience, was in Kyiv when Russia invaded on Feb. 24.

Brett Forrest and Dan Michaels contributed to this article.

[License this article from Dow Jones Reprint Service](#)

NS gdip : International Relations | gdef : Armed Forces | gvio : Military Action | gvexe : Executive Branch | gcat : Political/General News | gpol : Domestic Politics | nmajev : Major News Events | ntop : Top Wire News | gcns : National/Public Security | gpir : Politics/International Relations | grisk : Risk News | gvbod : Government Bodies | ndj : Dow Jones Top Stories | redit : Selection of Top Stories/Trends/Analysis

RE ukrn : Ukraine | russ : Russia | byelrs : Belarus | asiaz : Asia | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe | eurz : Europe | ussrz : CIS Countries

IPC IGV

PUB Dow Jones & Company, Inc.
AN Document J000000020220408ei4800017

HD **The Ukraine Crisis: Senate, House Back Oil Ban on Moscow --- Lawmakers also vote to strip Russia of its most-favored-nation trade status over war**

BY By Eliza Collins

WC 842 words

PD 8 April 2022

SN The Wall Street Journal

SC J

PG A8

LA English

CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

WASHINGTON -- The House and Senate passed bills stripping Russia of its most-favored-nation trade status and approving a ban on Russian oil imports to punish Moscow over its invasion of Ukraine, sending the bills to the president's desk.

The Suspending Normal Trade Relations with Russia and Belarus Act and the Suspending Energy Imports from Russia Act both passed the Senate 100-0 Thursday morning. In the House, the trade bill passed 420-3, and the oil ban passed 413-9.

TD

The bills had passed the House last month, but had stalled in the Senate. The energy ban legislation closely mirrored an executive order President Biden issued last month and it hadn't been clear if the Senate would take up the legislation. The trade bill had been held up over several issues, including disagreements on sanctions language.

The disagreements were resolved Wednesday paving the way for a vote. Because the bills had been revised, they had to go back to the House to be passed again. White House press secretary Jen Psaki said Mr. Biden supports the legislation and would sign it into law.

"Congress must do what we can to end this brutality and continue to support the Ukrainian people," said Rep. Richard Neal (D., Mass.), chairman of the House Ways and Means Committee.

The package of legislation would strip Russia and Belarus -- a country closely aligned with Russia that has been used as a staging ground for its Ukraine invasion -- of their most-favored-nation trade status, a step that would result in higher tariff rates on some imports. It would also ban Russian energy imports.

To maximize the pressure on Russia and Belarus, the trade bill would give Mr. Biden the authority to order additional increases in import duties for certain products, pushing them above the rates that would result from simply ending the most-favored-nation status. While the bill doesn't specify those items, candidates would include products such as aluminum, wood and wood-veneer products, and chemicals including fertilizer, said Rep. Kevin Brady (R., Texas), a co-sponsor of the bill.

The major holdup had been GOP Sen. Rand Paul of Kentucky, who put a hold on the legislation over language in the Global Magnitsky Human Rights Accountability Reauthorization Act, which is included in the larger trade-relations bill. He had said the language as written in the House version could allow a U.S. president to too broadly interpret what constitutes a human-rights violation.

The new version more narrowly defines a human-rights violation, said a spokeswoman for Sen. Mike Crapo (R., Idaho), the top Republican on the Senate Finance Committee who led negotiations with Senate Majority Leader Chuck Schumer (D., N.Y.).

The legislation "strikes directly at Putin, and cuts off the lifeblood for his war machine and his autocracy by banning U.S. imports of Russian energy products, including petroleum, natural gas, and coal," Mr. Crapo said on the Senate floor on Wednesday.

The Senate also late Wednesday approved by voice vote legislation to more quickly enter into lend-lease agreements with Ukraine and Eastern European countries for military gear. GOP Sen. John Cornyn of Texas had been working to get that bill attached to the larger trade bill during negotiations.

Stripping Russia of its most-favored nation status is a largely symbolic step for the U.S. bilateral trade with Russia is modest to start with. And as part of its expanding sanctions regime, the U.S. has already banned imports of oil, gas and seafood products including crabmeat, which make up a majority of the purchases. Overall trade between the U.S. and Russia totaled \$36.1 billion in two-way goods trade in 2021, making Russia the U.S.'s 23rd-largest trading partner, according to Census Bureau data.

And tariff rates on many of the remaining products would be zero or minimal, even after the end of the MFN status. For example, the non-MFN rates are zero for fertilizer and specialty metals such as palladium and uranium, key materials for some U.S. industries.

The provision allowing the president to impose additional tariff increases, effective through the beginning of 2024, could close this gap, potentially subjecting products like fertilizer to higher rates.

Republicans have said while they support ending Russian imports of oil, they would like the Biden administration to increase output as a follow-up to the import ban.

About 8% of U.S. imports of oil and refined products, or about 672,000 barrels a day, came from Russia last year, said Andy Lipow, president of Lipow Oil Associates LLC in Houston, citing figures from the Energy Information Administration. Setting aside refined products, Russian oil alone made up roughly 3% of the nation's imports, about 200,000 barrels a day.

Yuka Hayashi contributed to this article.

[License this article from Dow Jones Reprint Service](#)

IN i1 : Energy

NS gvuph : Upper House | gcat : Political/General News | gvcng : Legislative Branch | gdip : International Relations | gesanc : International Sanctions | c13 : Regulation/Government Policy | e512 : Physical Trade | gpol : Domestic Politics | gtrade : Trade Barriers/Restrictions | gvio : Military Action | ccat : Corporate/Industrial News | e51 : Trade/External Payments | ecat : Economic News | gcns : National/Public Security | gpir : Politics/International Relations | grisk : Risk News | gvbod : Government Bodies | ncat : Content Types | nfact : Factiva Filters | nfcpin : C&E Industry News Filter

RE ukrn : Ukraine | usa : United States | ussrz : CIS Countries | russ : Russia | asiaz : Asia | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe | eurz : Europe | namz : North America

IPC CNG

PUB Dow Jones & Company, Inc.

AN Document J000000020220408ei480000q

SE Letters to the Editor
HD Beneath **Russia's** Musical Supremacy, I Find **Ukraine**
WC 182 words
PD 7 April 2022
SN The Wall Street Journal
SC J
PG A16
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

In his review of Elizabeth Wilson's book "Playing With Fire" (Books, April 2), Norman Lebrecht suggests that, given Russia's invasion of Ukraine, "This may not be the timeliest moment to proclaim Russia's creative superiority, but the musical facts are incontrovertible." He points out that in the last century Russia produced four of the world's greatest pianists: Sergei Rachmaninov, Vladimir Horowitz, Sviatoslav Richter and Emil Gilels.

Today, only Rachmaninov would be considered Russian. Horowitz, Richter and Gilels were all born in what is now Ukraine. The same is true regarding the great Russian violinists of the 20th century: Jascha Heifetz was Lithuanian; Mischa Elman, Nathan Milstein and David Oistrakh were all from Ukraine. The musical facts show that Ukraine also has a rich cultural heritage.

TD

Ed Davis

Brooklyn, N.Y.

(See related letter: "Letters to the Editor: Musicians and Anachronism" -- WSJ Apr. 9, 2022)

(See related letter: "Letters to the Editor: Cold War Cultural Exchange" -- WSJ Apr. 14, 2022)

[License this article from Dow Jones Reprint Service](#)

NS gcltre : Cultural Heritage | gent : Arts/Entertainment | nlet : Letters | gcat : Political/General News | gcom : Society/Community | ncat : Content Types | nfact : Factiva Filters | nfce : C&E Exclusion Filter | niwe : IWE Filter | nrgn : Routine General News
RE russ : Russia | ukrn : Ukraine | asiaz : Asia | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe | eurz : Europe | ussrz : CIS Countries
IPC NND
PUB Dow Jones & Company, Inc.
AN Document J000000020220407ei4700005

THE WALL STREET JOURNAL.

CLM Potomac Watch
SE Opinion
HD **Apologies for Hunter Biden's Laptop; Smeared as stooges for **Russia** in 2020, Ron Johnson and Chuck Grassley can claim vindication in 2022.**
BY By Kimberley A. Strassel
WC 848 words
PD 8 April 2022
ET 04:00
SN The Wall Street Journal Online
SC WSJO
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

The list of those owed an apology over the Hunter Biden affair may stretch to the moon and back. Due a position at the front of the line are the two men who first blew the lid off the Biden sleaze and endured a smearing for the ages.

Sens. Chuck Grassley and Ron Johnson on Tuesday delivered the latest installment of their yearslong investigation into Hunter Biden's questionable business dealings—laying out in Senate speeches the complex web of banking transactions tying his companies to entities connected to the Chinese government. Their exposé offered more detail into their September 2020 report about the Biden family's foreign financial entanglements.

TD

As courageous (and accurate) as the New York Post's October 2020 reporting on the Hunter laptop was, it came after the Johnson-Grassley bombshell. Only now—18 months late—are mainstream media outlets grudgingly confirming the truth of that Senate report. "Inside Hunter Biden's multi-million-dollar deals with a Chinese energy company," read last week's Washington Post story. Reporters acknowledge that many aspects of their account of Hunter's business dealings with CEFC China Energy were "included in a Republican-led Senate report from 2020," even if the Post only recently bothered to confirm "key details."

That's something, though it's far from the apology the senators deserve from media outlets that spent 2020 helping Democrats slander them as Russian agents. The Johnson-Grassley probe started as a look into 2016 election shenanigans but expanded when Democrats leveled charges against Donald Trump regarding Ukraine. By the spring of 2020, it was well known the Republicans intended to release a report outlining the Biden family's seedy financial ties there and elsewhere.

Panicked Democrats defaulted to the scurrilous claim that the Republican senators were spreading Russian disinformation. Top Democrats—including Speaker Nancy Pelosi, Senate Leader Chuck Schumer, and Mark Warner and Adam Schiff, the top Democrats on the House and Senate Intelligence committees—in July 2020 publicly released a letter to the Federal Bureau of Investigation expressing worries that Congress had become "the target of a concerted foreign interference campaign." Attached to it was classified information, which Democrats immediately leaked to the press, claiming the Grassley-Johnson probe specifically had "become a vehicle for 'laundering' a foreign influence campaign" to damage Mr. Biden, as Politico helpfully narrated.

All summer, the press piled on with unproven allegations that the Republican duo were receiving information from characters identified as Russian agents, "despite foreign interference concerns," as the Washington Post put it in August 2020. Mr. Johnson and Mr. Grassley had bluntly refuted the claim, explaining the report was based primarily on U.S. government documents, including Treasury reports. Sen. Richard Blumenthal went so far as to accuse Mr. Johnson in a Washington Post op-ed of basing his report on "documents provided to the senator by the son of a former KGB officer. . . . Think of it: Congress may become a forum for debunked conspiracy theories peddled by Kremlin proxies." The media became the forum for debunked conspiracy theories peddled by Democrats for partisan gain.

The false-flag operation hit its apex just before the report's release, with Mr. Schumer and Oregon's Ron Wyden calling it disinformation and introducing a resolution to block its issue. Mr. Wyden on the Senate floor called it an example of "the spread of Russian propaganda, and the pathway it's following from Russian agents through the United States Senate to the American public." Upon the report's release on Sept. 23, Mr. Schiff issued a statement saying: "the Kremlin must be very pleased."

In his floor speech this week, Mr. Grassley asked his Democratic colleagues and the media that has confirmed his report to remind him exactly what parts of it were Russian disinformation. Mr. Johnson for his part noted that even now the press is engaging in a Watergate-style "modified limited hangout"—focusing its reporting exclusively on Hunter's "tax affairs" while continuing to ignore larger questions about Joe Biden's potential involvement.

Which is of course the point. Although some Republicans are immediately characterizing all this as "corruption," the more specific issue (and always the focus of the Johnson-Grassley probe) is national security. Hunter Biden spent years entwining the family in questionable ventures in Ukraine, Russia and China, even as his father's biggest foreign-policy concerns are Ukraine, Russia and China. This history raises legitimate questions about counterintelligence and extortion, even as it puts a spotlight on how honest President Biden has been in claiming no knowledge of his son's doings.

At the very least, Messrs. Johnson and Grassley are getting satisfaction. Their continued investigation has confirmed their earlier report and portions of the laptop, thereby adding to the pressure on the media finally to do some digging. Though they'd no doubt take that apology, too.

Write to kim@wsj.com.

[Apologies for Hunter Biden's Laptop](#)

NS gvuph : Upper House | gcat : Political/General News | gpol : Domestic Politics | gpir : Politics/International Relations | gvbod : Government Bodies | gvcng : Legislative Branch | ncolu : Columns | nedc : Commentaries/Opinions | ncat : Content Types | nfact : Factiva Filters | nfcpx : C&E Executive News Filter

RE usa : United States | russ : Russia | asiaz : Asia | easiaz : Eastern Asia | eurz : Europe | namz : North America | nyc : New York City | ussrz : CIS Countries | apacz : Asia Pacific | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe | use : Northeast U.S. | usny : New York State

IPD COLUMN

IPC G/FBI

PUB Dow Jones & Company, Inc.

AN Document WSJO000020220407ei47007n1

THE WALL STREET JOURNAL.

CLM World News
SE World
HD **Horrors of Ukraine's Bucha Laid Bare on Yablunska Street; Russian soldiers were polite at first, but as their losses mounted they turned on the civilian population**
BY By Brett Forrest and James Marson | Photographs by Emanuele Satolli for The Wall Street Journal
WC 2,232 words
PD 8 April 2022
ET 04:29
SN The Wall Street Journal Online
SC WSJO
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.
LP

BUCHA, Ukraine—In early March, Volodymyr Borovchenko walked uphill on Yablunska Street to get to his job at a home for special-needs children—and straight into a Russian military no-go zone.

Russian troops, halted in their advance on Kyiv by Ukrainian forces, had occupied Bucha days earlier. Telling local residents they were worried that somebody was reporting their positions to Ukraine's military, the Russian soldiers ordered people to stay off the street, which runs parallel to the Bucha River on the southern edge of town.

TD

For Mr. Borovchenko, Yablunska was the only way to get to work. A sniper shot the 68-year-old superintendent, dropping him to the road in front of a shrapnel-riddled green gate, said a friend who lives at the scene. By the time Russian forces retreated last week, 17 corpses lay on Yablunska, according to the friend, who only gave his first and middle names, Vasyl Mykolayovych.

The shootings on Yablunska were part of what residents and Ukrainian officials say was a spree of killing, raping and looting that marked Russia's monthlong occupation of Bucha, a well-heeled town on the northwestern outskirts of Kyiv. Several hundred civilians were killed there, say Ukrainian officials, who want to make Bucha a prime exhibit for an investigation into potential war crimes in areas occupied by Russian forces.

Moscow has denied targeting civilians in its military assault on Ukraine and called the video and photographic images from Bucha staged.

Intercepted radio communications by the German foreign intelligence service BND record Russian troops talking about the killing of civilians in Bucha and other areas in Ukraine before they retreated. The intercepts, first reported by the German magazine Spiegel, were described to German politicians and officials on Wednesday, according to one person familiar with the matter.

Facing mounting losses amid stiff resistance from Ukrainian forces, the Russian soldiers stationed throughout the city turned their frustration on the locals, according to residents and Ukrainian officials. They killed some to instill terror and others whom they suspected of giving away Russian troop positions, residents said.

"They turned into beasts," said Maria Rusyn, a 48-year-old who said two people were executed in front of her garage. Blood stains are still visible on the garage door.

Her neighbor, Vladyslav Verhynskiy, 31, an army veteran, didn't return from taking out the trash two weeks ago.

His mother, Lyudmyla Verhynska, said she pleaded with Russian troops stationed in a nearby apartment block to provide his location, to no avail.

A week later, she said she was scavenging for firewood in the yard of a nearby house when she found her son lying in a pool of blood with most of the front of his face missing. Two neighbors who had taken refuge in their apartment lay beside him.

Civilian deaths piled up so quickly in Bucha that the morgue ran out of space, according to local officials. Some of the dead were buried in a mass grave beside St. Andrew's Church in the center of town, and also in hastily dug pits and holes. Dozens of bodies lay in the streets.

"Things you wouldn't see in a nightmare were happening here," Ms. Rusyn said.

On Thursday, municipal workers loaded bodies collected in the past three days into a van at Bucha cemetery. Thirty-three black body bags lay on the ground, some with names marked on red tape: "Aunt Masha," "Anyia," "Zhanna." Policemen opened the bags and checked them before they were hauled away. One bag contained the remains of a boy of around 12 years old. They were transported to morgues in nearby cities.

Russian forces entered Bucha on the fourth day of the war, Feb. 27, as part of the Kremlin's plan for a lightning offensive to take Ukraine's capital and overthrow its leaders. The Russian military, however, ran into fierce resistance.

Tanks and other armored vehicles coursed down Vokzalna Street toward the Bucha River, one of the last natural barriers between them and Kyiv. A group of 50 Ukrainian volunteers on the other side repelled several vehicles that tried to cross a bridge, sending them back past the intersection with Yablunska. As the armored column moved past tidy gated homes, Ukrainian artillery and drones let loose a barrage, destroying much of the convoy and burning Russian soldiers alive.

"On the 27th, we went out to look at the destroyed equipment," said Viktor Shatylo, who lived near the attack site. "We thought that everything was already finished, but this was only the beginning."

After quickly pushing out the Ukrainian defenders, Russian forces occupied Bucha in early March.

Locals found the Russian military unprepared for occupation. Adorned with the letter Z in white paint, Russian trucks and cars often lost their way as they drove through town. A group of Russian soldiers drove up to city hall and ripped a souvenir map from the wall, a local man said.

Russian troops occupied homes emptied by those who had fled, and set up bases and posts throughout town with duty officers working around the clock and camouflaged armored vehicles parked nearby.

In the occupation's early days, some locals said, the Russians treated locals politely, and some troops confided that they didn't understand the reason for coming to Bucha or why such a war was worth it.

Lora Khvorostyna, who took charge of a kindergarten where several hundred locals had sought refuge in the basement, went to search for fuel for a generator when, she said, she bumped into two Russian tanks.

"Are you f—ing crazy? There's a sniper here," she recalled the tank commander warning her.

He siphoned fuel from an abandoned car and gave it to her, she said. "If my grandfather found out I was here, he'd turn in his grave," she recalled him saying. His grandfather, the man said, was born in Chernihiv, in northern Ukraine.

About a week into the occupation, locals said, the atmosphere darkened. New military vehicles arrived in Bucha carrying the V.

Russian troops established a curfew, telling locals to remain indoors after 4 p.m., and placed snipers in the town's tallest buildings. Locals said they smelled alcohol on the breath of the Russian soldiers at checkpoints.

Yablunska Street became a focus of tension. Across the Bucha River lay the town of Irpin, where fighting was raging between Russian and Ukrainian forces. One turn from Yablunska and onto Vokzalna led quickly to Irpin.

Soldiers warned residents they had orders to shoot anyone who stepped out onto the street, said Serhiy Zubenko, a 56-year-old resident who lived on Yablunska.

Behind 306B Yablunska Street, two Russian soldiers checked the documents of a man named Leonid, as Iryna Hryhorivna, who gave only her first and middle names, watched from her apartment window. When Leonid turned to walk away, one of the soldiers pulled out a gun.

"He shot him right in the head," she said. "He fell right next to the car near our window. They stepped over him and left."

Russian soldiers broke into the house of a 39-year-old woman named Natalya, and found audio recordings on her husband's cellphone describing Russian troop movements, the woman said.

They covered her husband's eyes with a towel held in place with tape, Natalya said, and took him to an empty house along the street. Through a small slit, he saw them take away two other men and then heard two shots. Alone on the street for a moment, he made a run for it through yards and over fences.

The soldiers returned to Natalya's house and took her and her 19-year-old son to the basement of a nearby residential building where the local commander was based.

"Take her away and shoot her," she recalled one of the soldiers saying. They didn't, she said, and instead kept her captive in her home, waiting for her husband's return.

Farther down Yablunska Street, Russian troops took over the Bucha Glassworks Factory, which locals said became a site of disappearances and murder.

Share your thoughts

Do you think Russia is guilty of war crimes? If so, will those crimes ever be prosecuted? Join the conversation below.

From the balcony on her nearby eighth-floor apartment, a woman eavesdropped on Russian soldiers who lived on the floor above her. They were discussing a group of three men who had emerged from a basement and were crouched in the courtyard around an open fire to cook a meal. She watched as bullets rained down on the men, felling them all.

Around Bucha, Russian forces were getting bogged down. Ukrainian army detachments worked secretly in Bucha and other Russian-occupied areas. Special-forces units lobbed grenades at Russian posts, helped guide artillery strikes and fired small arms from high windows. The Russian soldiers began to scrutinize the local population more fiercely, according to residents.

"They saw a spotter in every person who lived on the fifth floor," said Leonid Cherkassy, a Bucha resident. "They saw a commando in each of us."

On March 10, special Russian units swept through Bucha's residential sectors, destroying doors with fire axes and storming homes, trying to root out the cause for their continuing local troubles. Searching for men on a list of those who had fought in Ukraine's Donbas region, which Russia covertly invaded in 2014, they rounded up anyone who aroused their suspicion.

Russian troops forced men of fighting age to strip to the skin, and they scanned their bodies for military tattoos and the shoulder bruises and trigger-finger calluses that betrayed recent use of weapons.

Igor Konovalov lived on Yablunska Street and found himself naked at gunpoint. "We're not going to kill the civilian population," the Russian soldier holding the gun reassured him. "But don't forget that right now we have our fingers on the trigger."

Around Bucha, men began disappearing, their bodies reappearing on the street days later with their wrists fastened behind their backs.

"They killed a lot of people, pulled them out of the basement and killed them," said a man from Bucha who gave his name as Oleksandr Viktorovych. "They tied their hands, made them squat down and killed them."

The Russian units collected their tanks and artillery batteries along the town's industrial edges, which gave them a vantage point to spot anyone who might be spying on their positions.

Russian troops told locals they were not to leave their courtyards, that the streets were off limits, especially Yablunska, which Russian commanders had established as the town's southern boundary.

The war had now come to Bucha in earnest, with Ukrainian forces approaching and shelling Russian positions.

Locals were faced with an impossible decision: withstand the fighting in Bucha or brave an exit through it. Private cars packed with families edged out onto the road toward Kyiv. Russian troops shot at cars and evacuation buses.

"A car with a man with two children was passing by us, and it was shot," said a woman who gave her first and middle names as Iryna Hryhorivna. "He drove into a three-story house and the car caught fire. The children escaped. He was burned alive."

In the afternoons, as curfew set in, Russian snipers ascended to positions in high rises triangulated on the intersection of Yablunska and Vokzalna Streets.

"They told us, 'You cannot cross along the road,' " Iryna Hryhorivna said. " 'At all. You can't go anywhere. If you set foot on the sidewalk or the road, you were immediately killed.' "

People desperate to flee still made a break for it along the road toward Irpin. The first killing on Yablunska befell a woman on a bicycle, said Mr. Shatylo, who witnessed it from his home near the intersection with Vokzalna Street. "First I heard a shot, then I saw her," he said. "How could a grandmother on a bicycle interfere with anyone?"

Several days later, Mr. Shatylo, peering through a gap in his front gate, saw a man walking up Yablunska carrying a sack of potatoes. "Then I heard his screams," he said. "I heard a shot, but I didn't understand what had happened. Every day, new corpses appeared on the street. These were single, targeted shots."

The Ukrainian military pushed toward Bucha from the west and south, and the Russian forces fled the town on March 29.

After Ukraine retook Bucha a day later, the Zubenko family from Yablunska Street went to visit a cousin, a 59-year-old test pilot. Mr. Zubenko and his wife said they found the pilot lying on the street 200 yards from their home, three bullet wounds in his legs and two in his chest. They picked up his body and brought it back to their house, where they buried it in the back garden.

Bojan Pancevski and Oksana Grytsenko contributed to this article.

Write to Brett Forrest at brett.forrest@wsj.com and James Marson at james.marson@wsj.com

[Horrors of Ukraine's Bucha Laid Bare on Yablunska Street](#)

NS gdef : Armed Forces | gvio : Military Action | ncolu : Columns | gcat : Political/General News | gcns : National/Public Security | grisk : Risk News | ncat : Content Types

RE ukrn : Ukraine | asiaz : Asia | easiaz : Eastern Asia | eurz : Europe | russ : Russia | uk : United Kingdom | ussrz : CIS Countries | apacz : Asia Pacific | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe | weurz : Western Europe

IPD WSJ

IPC N/GEN

PUB Dow Jones & Company, Inc.

AN Document WSJO000020220407ei47008hl

THE WALL STREET JOURNAL.

CLM Europe News
SE World
HD **Belarusians, Russians Join [Ukraine's](#) Military, Hoping for Freedom at Home; Belarusian battalion has already fought against Russian forces near Kyiv. 'The second stop is going to be Belarus.'**
BY By Isabel Coles and Yaroslav Trofimov | Photographs by Christopher Occhicone for the Wall Street Journal
WC 1,658 words
PD 7 April 2022
ET 15:24
SN The Wall Street Journal Online
SC WSJO
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

KYIV, Ukraine—For Pavel Kulazhanka, just like many Belarusian and Russian fighters who have joined Ukraine's military in recent weeks, the path to freedom at home runs through defeating the Russian army here first.

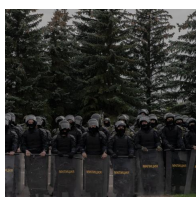
Hundreds of volunteers from Belarus have joined a dedicated Belarusian battalion and other formations of Ukrainian armed forces since Russian President Vladimir Putin triggered [the invasion](#) on Feb. 24, with more than a 1,000 others still awaiting vetting and training, Belarusian opposition leaders say.

TD

Under Ukrainian law, foreigners who serve in its armed forces are eligible for Ukrainian citizenship.

Freedom for Russia, a separate unit staffed by Russian citizens, including prisoners of war who have switched sides, is also preparing to deploy to the front lines. It is backed by some prominent [Russian opposition](#) leaders in exile, who say that the presence of Russian soldiers helping defend Ukraine and prevent atrocities would go a long way toward healing the rift between the two peoples in the future.

To the Belarusians, many of whom fled [the repression unleashed](#) by President Alexander Lukashenko after the fraud-marred presidential election of 2020, the fight in Ukraine is a steppingstone to liberating their own homeland. While Mr. Lukashenko stopped short of sending the Belarusian army to Ukraine, he has allowed [Russia to use Belarus as a staging ground for the invasion](#), with tens of thousands of Russian troops deployed there and Russian warplanes taking off from Belarusian bases.



Police in Minsk, Belarus, during the 2020 protests against President Alexander Lukashenko.
PHOTO: Jędrzej Nowicki for The Wall Street Journal

"Without an independent Ukraine, there won't be an independent Belarus," said Mr. Kulazhanka, who arrived in Kyiv several weeks ago and is now a soldier in the Belarusian-run Kastus Kalinouski Battalion. "This is the first stop; the second stop is going to be Belarus."

The battalion is named after a leader of the 1863 uprising against czarist Russia in what is now Belarus, Lithuania, Poland and Ukraine. It has about 200 members so far, from activists and bloggers with no combat experience to veterans of the 2014-2015 war against Russian-backed forces in eastern Ukraine's Donbas region. The battalion has already engaged in battles to defend Kyiv, which Russian forces failed to seize after five weeks of fierce battles.

There is another Belarusian battalion being formed, Pahonia, as well as Belarusian units within Ukrainian territorial defense forces in the cities of Odessa and Lutsk, said Franak Viacorka, an adviser to Belarusian opposition leader Sviatlana Tsikhanouskaya, [who stood against Mr. Lukashenko in the 2020 presidential election](#) and is exiled in Lithuania. In addition, Belarusian activists have been working to sabotage railways used by Russian forces to ship troops and supplies to the Kyiv front.

"The very existence of Belarus is under threat now. When Putin says that Ukrainian statehood shouldn't exist, he means the same about Belarus," Mr. Viacorka said. "The fact that Russia's army renounced the idea of seizing Kyiv is also the merit of those Belarusians who made the siege of Kyiv too costly and made the Russian rear insecure."



People protested against Mr. Lukashenko in Minsk's Independence Square in 2020. PHOTO: Jędrzej Nowicki for The Wall Street Journal

Belarusians fighting in the ranks of the Ukrainian armed forces today will be building the army of a new Belarus once Mr. Lukashenko's regime collapses, he added.

Belarus's population, unlike Russia's, is deeply opposed to the war in Ukraine, said U.S. Special Envoy for Belarus Julie Fisher.

"There is a real disbelief—by those inside and outside Belarus—that Lukashenko would allow Belarusian territory to be used like this," she said.

Shortly after Russia started the war, Ukrainian President Volodymyr Zelensky invited volunteers from all over the world to come help fight for Ukraine's independence in [the newly created International Legion](#), a unit created along the lines of the International Brigades that fought for the Spanish republic in the 1930s civil war there. The legion's recruits include many citizens of Western nations, including former U.S. and British military veterans.

Pahonia is part of this International Legion but the Kastus Kalinouski battalion has been incorporated into regular Ukrainian forces under its own, Belarusian, commander. Ukrainian officers usually command units of the International Legion. Three members of the battalion have been killed in combat so far, according to Mr. Kulazhanka.

While the Belarusian opposition has long been inspired by Ukraine's resistance to Russia and attempts to impose authoritarian rule, the arrival of Russians willing to fight against their own compatriots is relatively new. The uniforms of the Freedom for Russia unit have the white-blue-white patch, in the colors of a new Russian flag favored by some opponents of Mr. Putin.

Wearing black balaclavas, three men addressed a press conference Tuesday in Kyiv, explaining how they had joined the unit. Each of them said he had deployed to Ukraine with the Russian military but experienced second thoughts after being taken prisoner.

"It turned out that we were tricked into this war," said one of the men, who said he had been a sergeant with the Russian special forces. "This legion has been created to fight against Putin's regime."

They declined to provide evidence of previous Russian service and said they had fought on the Ukrainian side but didn't share details about units or battles in which they had participated. They also declined to say how the Ukrainian military used them or how many members were in their group. They said they had incorporated Belarusian soldiers into the legion.

Former Russian lawmaker Ilya Ponomarev, who was the only member of the Russian parliament to vote against the annexation of Ukraine's Crimea peninsula in 2014 and now lives in Kyiv, said that Russian soldiers willing to fight for Ukraine today were akin to anti-Nazi Germans joining allied forces in World War II. He compared them to German statesman Willy Brandt, who fought against fellow Germans in Norway and then, after the defeat of Nazism, was elected West Germany's federal chancellor.

"I know thousands and thousands of people in Russia who desire to fight in this war against Putin's army. They don't want to kill fellow Russians but they want to kill Putinists, who have become just the same as the fascists of 80 years ago," Mr. Ponomarev added.

Marat Gelman, a Russian art collector and opposition politician who once advised Mr. Putin and served as deputy chief of Russia's main state TV channel, said that while Russian volunteers fighting for Ukraine today may not be a significant military force, their political importance can't be overstated.

"They represent the hope that, once the war is over, at least some conversation will become possible between us," he said. "Once it becomes known how the citizens of Russia helped Ukraine repel this aggressor, it will facilitate dialogue between Russians and Ukrainians in the future. And these people could become intermediaries."

In Belarus, Mr. Lukashenko's bloody suppression of protests over the 2020 election, which Ms. Tsikhanouskaya says she won, has brought a massive increase in influence by Russia, which until recently didn't have military bases on Belarusian soil.

Mr. Kulazhanka watched the crisis at home unfold from New York, where he worked as a bouncer and mixed martial arts trainer. Before moving to the U.S., Mr. Kulazhanka had served for seven years in Belarus's special forces, and he began sharing his experience with protesters to help them stand up to riot police. He said he assisted in acts of resistance against the security forces from afar, including a drone attack on a Belarusian riot police base in Minsk.

In New York when the invasion of Ukraine began, Mr. Kulazhanka headed straight to the Ukrainian consulate there to sign up. After weeks of waiting he hadn't heard back and flew to Warsaw on his own initiative, going to a recruitment center there. From Poland, he traveled to Ukraine with other new recruits and caught a train to Kyiv.

A fellow soldier, Konstantyn Sunzyk, fled to Ukraine after Belarusian authorities issued a second warrant for his arrest in 2020. The 31-year-old had worked on the campaign of Belarusian opposition leader Viktor Babaryka, who was imprisoned before the election and disqualified from running. From Ukraine, Mr. Sunzyk sought to continue raising awareness of the repression in Belarus despite fading international attention.

SHARE YOUR THOUGHTS

Is democracy in Belarus more possible now in light of the war in Ukraine? Join the conversation below.

Serhiy Besspalov also fled Belarus in 2020 after several of his friends were detained for their role in street protests. "I was pretty likely to be a target," he said. The journalist and blogger, who runs several opposition Telegram channels and has no prior military experience, was in Kyiv when Russia invaded on Feb. 24.

In the early chaos of the invasion, Ukrainian forces detained Mr. Besspalov, suspecting him of being a Russian saboteur. He managed to prove he was on their side by showing them his Telegram channels and the tattoo on the back of his calf, which says "Stop Luka"—a reference to Mr. Lukashenko.

With a large online following, Mr. Besspalov is also part of the effort to draw new recruits to the battalion.

"As soon as we liberate Ukraine, we will go to liberate Minsk," he said.

Brett Forrest and Dan Michaels contributed to this article.

Write to Isabel Coles at isabel.coles@wsj.com and Yaroslav Trofimov at yaroslav.trofimov@wsj.com

[Belarusians, Russians Join Ukraine's Military, Hoping for Freedom at Home](#)

NS	gdip : International Relations gvio : Military Action gdef : Armed Forces gvexe : Executive Branch gpir : Politics/International Relations ncolu : Columns nimage : Images gcat : Political/General News gcns : National/Public Security gpol : Domestic Politics grisk : Risk News gvbod : Government Bodies ncat : Content Types
RE	ukrn : Ukraine byelrs : Belarus russ : Russia asiaz : Asia easiaz : Eastern Asia eurz : Europe minsk : Minsk uk : United Kingdom ussrz : CIS Countries apacz : Asia Pacific bric : BRICS Countries devgcoz : Emerging Market Countries dvpcoz : Developing Economies eeurz : Central/Eastern Europe weurz : Western Europe
IPD	WSJ
IPC	N/GEN
PUB	Dow Jones & Company, Inc.
AN	Document WSJO000020220407ei47000xd

THE WALL STREET JOURNAL.

CLM Letters
SE Opinion
HD Is **Ukraine's** Crimea Part of the Russian Soul? Wrong Question; The history is much more complicated than the metaphysical pronouncements.
WC 212 words
PD 7 April 2022
ET 23:27
SN The Wall Street Journal Online
SC WSJO
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

A letter writer [claims](#) that "Crimea is viscerally connected with the Russian soul" and that "its return could salve that soul and send the giant home" (March 22). I am skeptical of such metaphysical pronouncements, and Vladimir Putin wants far more than Crimea, but the example is worth taking up.

Crimea was predominantly Muslim in the 18th century and loosely affiliated with the Ottomans. It remained Muslim well into the 19th century. During World War II, Stalin felt that the Crimean Tatars, who had lived there for centuries, might be disloyal, so he deported them to Siberia. After World War II, as Khrushchev told his son, the transfer of Crimea to Ukraine made sense administratively. The only reason Mr. Putin wants to undo it is to promote his messianic expansion into Ukrainian territory.

TD

Rewarding Moscow by giving it Crimea wouldn't solve anything. If Mr. Putin is ever to be punished, he should lose the territory he took during his last land grab. Let us leave the "Russian soul" out of the equation.

Jonathan Zorach, Ph.D.

Lancaster, Pa.

[Is Ukraine's Crimea Part of the Russian Soul? Wrong Question](#)

NS nedc : Commentaries/Opinions | nlet : Letters | ncat : Content Types | nfact : Factiva Filters | nfce : C&E Exclusion Filter | nfcpx : C&E Executive News Filter | niwe : IWE Filter | nrgn : Routine General News
RE ukra : Ukraine | crimea : Crimea | asiaz : Asia | easiaz : Eastern Asia | eurz : Europe | russ : Russia | uk : United Kingdom | ussrz : CIS Countries | apacz : Asia Pacific | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcz : Developing Economies | eeurz : Central/Eastern Europe | weurz : Western Europe
IPD Opinion |
IPC R/ASI
PUB Dow Jones & Company, Inc.
AN Document WSJO000020220407ei47004xt

WSJ Podcasts

CLM WSJ Podcast What's News
HD Turkey's Complicated Role Between **Russia** and **Ukraine**
WC 2,355 words
PD 8 April 2022
ET 03:33
SN WSJ Podcasts
SC WSJPOD
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

P.M. Edition for April 7. Turkey has become a haven for Russian money . But it also has condemned Moscow's invasion of Ukraine, and hosted negotiations in the hopes of reaching a cease-fire agreement. WSJ Middle East correspondent Jared Malsin joins host Annmarie Fertoli to discuss Turkey's complicated role in the conflict. Plus, Judge Ketanji Brown Jackson becomes the first Black woman confirmed to the U.S. Supreme Court.

[Click here to listen to the podcast](#)

TD

Annmarie Fertoli: Judge Ketanji Brown Jackson is now the first black woman to be confirmed as a Supreme Court justice. What her historic appointment means for the nation's highest court. And Turkey's becoming a haven for Russian money. Why the US has stayed silent.

Jared Malsin: Officials from outside powers from the West are watching, but it's not something that they are directly criticizing Turkey for at the moment. Partly because there's been a lot of praise for Turkey for the role they're playing in facilitating the negotiations.

Annmarie Fertoli: More on Turkey's balancing act, and how the country stands to benefit. Plus, luxury goods are fetching top dollar in the metaverse. It's Thursday, April 7th. I'm Annmarie Fertoli for the Wall Street Journal. This is the PM Edition of What's News, the top headlines and business stories that moved the world today.

Vice President Kamala Harris: On this vote, the ayes are 53. The nays are 47. And this nomination is confirmed.

Annmarie Fertoli: That's Vice President Kamala Harris announcing the confirmation of Judge Ketanji Brown Jackson to the US Supreme Court, to a standing ovation from many lawmakers in the Senate. Three Republican senators, Susan Collins of Maine, Mitt Romney of Utah, and Lisa Murkowski of Alaska joined Democrats in supporting Jackson as the first black woman to sit on the nation's highest court. Our Supreme Court correspondent, Jess Bravin, has more.

Jess Bravin: The Supreme Court has existed since 1790, and really until 1967, there were no black members. And until today, there have been no black female members of the court. So an entire segment of the population was largely excluded for centuries. And that barrier has now ended.

Annmarie Fertoli: Jess says Brown's historic nomination is unlikely to change the balance of the court when she replaces Supreme Court Justice Steven Breyer, who's retiring this summer.

Jess Bravin: This court has a reliable minority of three liberal justices and a somewhat fractured, but fairly strong six member conservative majority, with clear ideas of what it wants to do with the law. Judge Jackson is unlikely to change any minds in favor of the left on this court, simply because by the time you get to the Supreme Court, your ideas about the way to look at the law tend to be pretty, fairly well established.

So this is a right leaning court. Some say among the most conservative courts in generations. And there's no reason to think that the succession of one liberal justice for another is going to change the trajectory of jurisprudence that we're seeing at the United States Supreme Court.

Annmarie Fertoli: The United Nations has suspended Russia from the Human Rights Council. The General Assembly voted 93 to 24 on the suspension for quote, "Gross and systematic violations of human rights." China and Belarus were among the countries that voted against the resolution. The vote follows allegations of war crimes, including executions and rape in Northern areas of Ukraine where Russian forces have retreated, such as the Kyiv suburb of Bucha. Russia has denied the allegations. Meanwhile, Congress has approved two separate bills aimed at punishing Russia for the invasion. One suspends normal trade relations with Russia and Belarus, which means higher tariff rates on some imports from the countries. Another bill bans Russian oil imports. Both policies are supported by the White House and President Biden is expected to sign them into law.

New York Attorney General Letitia James is asking a judge to hold former President Donald Trump in contempt. James says he had missed a deadline to turn over subpoenaed documents requested for a civil fraud investigation into Trump and his company. James is also asking a judge to fine Trump \$10,000 a day for noncompliance. James's office is examining whether Trump made misleading statements to lenders, banks, and tax authorities for financial gain. A lawyer who represents Trump in the civil case called the contempt motion frivolous and baseless, and said Trump had consistently complied with the AG's requests. Meanwhile, Manhattan District Attorney Alvin Bragg said in a statement that his office's criminal investigation into Trump and his company is ongoing. It was Bragg's first public remarks on the case since the resignation of two senior prosecutors earlier this year, which had put the future of the investigation in doubt.

Mortgage rates continue to climb mortgage finance giant Freddie Mac reported today that the average rate for a 30 year, fixed-rate home loan has risen to 4.72%. It's gone up one and a half percent in the past three months, and rates are likely to go even higher with the Federal Reserve planning to raise interest rates again after its meeting early next month. And new unemployment applications fell to 166,000 last week, according to the Labor Department. Employers continue to hold onto workers in a tight labor market. The weekly total is the lowest since November of 1968, when the labor force was less than half its current size.

Coming up, Turkey is a strategic US ally and NATO member state, but the country has played a mediating role between Russia and Ukraine since the war began. After the break, what Turkey has to gain by being in the middle.

Turkey has had a complicated role since Russia's invasion of Ukraine. On the one hand, it's condemned the invasion and sold weapons to Ukraine. And the country has played host to negotiators in the hopes of reaching a ceasefire agreement. But at the same time, it has not sanctioned Moscow and has become a haven for Russians fleeing the country. Oligarchs have been parking their super yachts and their money on the country's shores.

So how is Turkey balancing all of this, and what does it stand to gain or lose? Joining me now with more on this is our Middle East correspondent, Jared Malsin. Hi, Jared. Thanks for being here.

Jared Malsin: Hi. Thanks for having me.

Annmarie Fertoli: So Jared, how is Turkey managing this dual role?

Jared Malsin: Turkey is saying basically that someone has to talk to Russia in order to mediate in the crisis, and so it might as well be them. Other Western countries don't have that option because of the hostility between Europe and Russia, the United States and Russia. At the same time, the fact that Turkey hasn't imposed sanctions means that Russians, including wealthy ones, can come here. So you've seen, for example, Roman Abramovich, the owner of Chelsea FC who moved two of his yachts here. One of those yachts has since left.

Abramovich himself is also playing this surprising role in the peace talks themselves. He's been the back channel between the president of Russia and Ukraine, and now he's playing in an official role, essentially. I mean, he showed up in the official negotiations last week. There have been other Russian oligarchs who have come here, along with other less notable, wealthy Russians, and really just Russians in general, of all walks of life.

Annmarie Fertoli: Can you talk a little bit more about Russians who are now moving to Turkey?

Jared Malsin: So it's really the full gamut of Russians. You have dissidents, people who protested the war. Intellectuals, academics, people in the art world. And so a whole segment of society who are obviously deeply opposed to the war and who don't want to participate in it and don't want their money to be used to fund it. All the way from that, to on the other hand, people who are investing a quarter million dollars in Turkey in order to obtain a Turkish passport.

And extremely wealthy Russians who are bringing their money here to shelter it from sanctions, or just to pull it out of Russia where, obviously the country is much more isolated now, there's sanctions on Russian banks. There are capital controls being imposed by the Russian government. And so wealthy Russians are coming here as a safe haven.

Annmarie Fertoli: Jared, what has that meant for Russia to have so many people leaving?

Jared Malsin: Well, what it's meant is that you have a whole segment of society who have just picked up and left. For example, you have a lot of tech workers moving here. People who are generally ... these are young people who work in tech or in advertising or in banks, who have moved to Turkey. Some of them temporarily. I think a lot of them ... some who I spoke to expect to move on. But some of them are settling here. And I think it's really a whole generation of people.

Some for political reason. Others, not. Some for a combination of both, who are just opting out. They're voting with their feet and saying, this is a turning point and we can't imagine ourselves living in Russia under these circumstances.

Annmarie Fertoli: What does Turkey stand to gain by allowing Russian money and Russian people into the country?

Jared Malsin: So two things. I mean, Turkey stands to gain politically and diplomatically from all of this because it is the intermediary between Russia and Ukraine and the West. In terms of Russian money coming here, Turkey has been suffering from a really severe economic crisis. Over the last year, there was a currency crisis that where the Turkish lira lost about 45% of its value in just three months. I think it is important to say that while Russian money coming here might benefit Turkey on the margins, it's not going to turn around the economic crisis that's happening in this country.

A self-inflicted crisis where the government has been cutting interest rates in spite of one of the world's highest rates of inflation, and that's what's causing the currency to collapse. It's what's causing the economy in general to unravel, to some degree. And that trend isn't going to reverse until the government changes its policy in a number of other ways. That's what economists will tell you. And so these Russians coming here, that's going to help in some small way maybe, but it's not going to change the macroeconomic picture.

Annmarie Fertoli: Jared, is Turkey under pressure from global powers to do more to help Ukraine? How are world leaders assessing or responding to Turkey's dual role here?

Jared Malsin: I think it's something that officials from outside powers from the West are watching, but it's not something that they are directly criticizing Turkey for at the moment. Partly because there's been a lot of praise for Turkey for the role they're playing in, facilitating the negotiations. As you said before, Turkey also has been helping Ukraine arm itself. It sold them these armed drones that they've been using to carry out airstrikes on Russian forces that have really been instrumental in the resistance to the invasion. They also closed the Bosphorus Strait to certain Russian warships.

So they've played an active role in supporting Ukraine. And because of that, they may have escaped some of the criticism that you might hear otherwise. And I think, generally, there's also an understanding that Turkey has to do something to shield its economy from the fallout from the war. This is a country that's uniquely vulnerable to the economic consequences of the war because it's so close to both countries and does so much trade with both of them.

Annmarie Fertoli: That's Wall Street Journal Middle East correspondent, Jared Malsin. Jared, thanks so much for joining me.

Jared Malsin: Thank you.

Annmarie Fertoli: And finally, luxury brands are diving into the waters of digital fashion. Gucci sold 400 virtual purses for \$6 in the gaming world Roblox. Cheap for Gucci, but one was later resold for \$4,000 more than the real world bag it was based on. Burberry created 750 versions of a digital character for another gaming platform, each wearing a unique Burberry design. They sold for \$300 a piece and sold out in 30 seconds. And Dolce & Gabbana auctioned off a digital tiara that can only be worn in the metaverse for 99.9 Ethereum. Based on the cryptocurrencies current value, that's more than \$300,000.

Wall Street Journal reporter Trefor Moss says despite these gains, the digital luxury market is still in its very early days.

Trefor Moss: The potential future is huge. Some analysts think about a 10th of all luxury revenues could come from the metaverse, and that could be over \$50 billion by the end of this decade. But there's a caveat that they really have to figure out how to make this work and really engage particularly young

consumers who are just becoming switched onto luxury brands. And that's really the big question. Maybe you've had one or two limited experiments that were successful and you made a relatively small amount of money on those. How do you translate that into something sustainable, where you are going to be commanding luxury prices on a regular basis?

Annmarie Fertoli: And that's What's News for this Thursday afternoon. We'll be back tomorrow morning. If you like what you hear, please rate and review us. I'm Annmarie Fertoli for the Wall Street Journal.

CO burby : Burberry Group Plc | freddy : Federal Home Loan Mortgage Corporation | rblxu : Roblox Corporation | supus : Supreme Court of the United States

IN i3302 : Computers/Consumer Electronics | i330202 : Software | i3302021 : Applications Software | i453 : Clothing | i814 : Banking | i8150103 : Mortgage Banks/Real Estate Credit | ibnk : Banking/Credit | iclt : Clothing/Textiles | icnp : Consumer Goods | icomp : Computing | idescl : Designer Clothing | ifinal : Financial Services | igamsof : Games Software | ilgood : Leisure/Travel Goods | iluxgds : Luxury Goods | itech : Technology

NS gvsup : Judicial Branch | gcrim : Crime/Legal Action | naudvl : Audio-visual Links | ntra : Transcripts | c13 : Regulation/Government Policy | ccat : Corporate/Industrial News | e51 : Trade/External Payments | ecat : Economic News | gesanc : International Sanctions | gpip : Politics/International Relations | gtrade : Trade Barriers/Restrictions | ncolu : Columns | gcat : Political/General News | gdip : International Relations | gpol : Domestic Politics | gvbod : Government Bodies | ncat : Content Types | nfact : Factiva Filters | nfce : C&E Exclusion Filter | nfcpe : C&E Executive News Filter | nfcpin : C&E Industry News Filter | niwe : IWE Filter

RE turk : Turkey | ukrn : Ukraine | asiaz : Asia | easiaz : Eastern Asia | eurz : Europe | meastz : Middle East | namz : North America | russ : Russia | uk : United Kingdom | usa : United States | ussrz : CIS Countries | apacz : Asia Pacific | balkz : Balkan States | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe | medz : Mediterranean | wasiaz : Western Asia | weurz : Western Europe

IPD SYND

IPC BRBY.LN

PUB Dow Jones & Company, Inc.

AN Document WSJPOD0020220407ei470018h

SE WSJ Pro
 HD **What to Know About [Russia's Possible Debt Default](#); The country has until May 4 to remit funds to foreign bondholders' accounts before defaulting**
 BY By Alexander Saeedy and Caitlin Ostroff
 WC 1,377 words
 PD 8 April 2022
 ET 00:25
 SN WSJ Pro Bankruptcy
 SC RSTPROBK
 LA English
 CY Copyright © 2022, Dow Jones & Company, Inc.

LP

Russia missed a big set of dollar-bond payments due to foreign bondholders earlier this week, and the Kremlin has until early May to make sure the creditors are paid before the country's government could be deemed in default.

The Russian Finance Ministry said U.S. sanctions were responsible for keeping the money trapped in Russia, [setting the stage for the nation's first default since 1998](#) and its first default on foreign debt since the Bolshevik Revolution.

TD

Here's what to know about the potential default.

Why might Russia default?

Russia owes interest payments totaling \$649.2 million that it was [supposed to send to creditors Monday](#) for two dollar-denominated sovereign bonds.

New sanctions are mostly to blame. The U.S. announced Monday that it was [blocking Russia from using U.S. banks](#) to channel payments on its foreign-currency bonds, hoping to deprive Moscow of access to offshore deposits and deplete its war chest at home. Since Russia invaded Ukraine, Moscow had used foreign bank accounts to [stay current on its debts](#).

Russia's Finance Ministry said it attempted to make the payments in dollars on Monday, but JPMorgan Chase & Co., the Kremlin's intermediary bank for the bond in question, declined to process the \$649.2 million in payments because the U.S. Treasury didn't grant approval.

Russia has a grace period of 30 days from Monday to remit funds to investors' accounts before defaulting on the debt.

How did Russia respond to new sanctions?

After JPMorgan refused to send the roughly \$650 million on Russia's behalf, the Russian Finance Ministry said it was keeping the payments in special accounts inside the country. But the funds in those accounts aren't dollars, which investors are legally owed, but Russian rubles.

The Russian Finance Ministry said Wednesday that it considered its obligations to foreign creditors fulfilled, even though the terms of its sovereign debts require funds to arrive in creditors' accounts.

Can foreign creditors access the special accounts inside Russia?

In theory, yes. Investors have the right to try to transfer the rubles they were paid out of Russia, although that would require a signoff from either Russia's central bank or its Finance Ministry, which isn't guaranteed.

The Finance Ministry also said the account owners can't convert those rubles into foreign currencies until the U.S. allows Russia to access its foreign bank accounts again.

Are there any loopholes in the sanctions to allow Russia to pay?

Yes. The U.S. Treasury Department has decided to allow investors and banks to receive and process payments tied to Russian sovereign bonds until May 25. Russia could in theory find a willing bank that isn't yet sanctioned by the U.S. to process dollar payments on its behalf.

When exactly will Russia default, and who decides it has defaulted?

Russia has until May 4 to make the payments. That's when a 30-day grace period, which started Tuesday, runs out.

Then, if a quarter of the country's creditors agree, they can declare Russia in default and try to force it to pay. Russian sovereign bonds have cross-default provisions, meaning that once the country is deemed in default on one bond issue, it can be deemed in default on all its outstanding sovereign obligations. Court challenges to get Russia to pay would likely take place in the U.K., where many of the bonds were issued.

How much debt does Russia have?

Russia has been fairly restrained in raising money in recent years, partly out of prudence and partly because of previous rounds of sanctions. The country hasn't issued dollar-denominated bonds since 2019, when U.S. investors and banks were barred by sanctions from participating. Its overall outstanding foreign-currency debt is just under \$60 billion.

Overall, the Russian economy came into the war with a manageable level of external debt, roughly 25% of the size of its economy. But that was when Russia had access to its foreign-currency reserves.

Russia also has a robust local government-bond market. Foreigners owned around 20% of those local government bonds as Russia's invasion of Ukraine began. Since then, Russia's government has made payments on those debts to local bondholders but it has blocked cross-border money transfers to foreign creditors holding local government debt.

Normally that would constitute a default, but in Russia, borrowers in the local debt market no longer have to ensure payments reach investors to avoid defaulting. The borrowers' obligations are met if the money arrives at the clearing system, and it's not their fault if creditors never get the money.

Who owns Russian bonds?

Foreign investors who run emerging-markets portfolios held Russian debt before the war, but Russia was just a slice of the global universe of bonds. Russian sovereign debt made up around 6% of a JPMorgan local-currency emerging-market bond index and 2.7% of one for dollar bonds. [JPMorgan said in March](#) that it would exclude Russian sovereign and corporate debt from all of its widely tracked fixed-income indexes. Many investors have already written down the value of the bonds.

What is the likelihood of a default?

Very high. [Moscow remains steadfast](#) that it wants to [avoid the unpleasant distinction](#) of failing to pay its debts. But current trading prices for Russia's sovereign bonds are quoted anywhere between 5 cents and 25 cents on the dollar, meaning that investors don't expect to be paid in full. Credit-rating firms, economists and the International Monetary Fund have all warned that a default is probable.

What will the impact be on Russia if it defaults?

An official default on its debt would have a limited immediate impact on Russia's economy as the country is already cut off from international markets by the sanctions. That said, after Russia defaulted in 1998, it was back at investment grade by 2003. Argentina has defaulted multiple times and yet after a change in government, was able to access markets again. Investors tend to have short memories.

Will foreign investors ever get their money back?

Some investors have sold off their holdings to opportunistic investors who hope, someday, to broker a deal with the Kremlin to recoup what they are owed. Present sanctions, however, forbid most forms of engagement with the Russian Federation, so discussing the terms of a debt restructuring is, legally speaking, a long way off.

What happened when Russia defaulted in the past?

Russia's last default on its foreign debt was in February 1918, when the newly installed Bolshevik Party repudiated the Russian Empire's borrowings.

In August 1998, Russia defaulted on domestic bonds during an economic crisis made worse by oil prices as low as \$10 a barrel. Foreign creditors to the Russian Federation ultimately came out unscathed, and their debts weren't restructured. Ruble-denominated debt, more than 75% of which was held in the country, took a haircut, as well as some legacy debt incurred by the Soviet Union.

The 1998 default also triggered major volatility in U.S. markets, which led to the unraveling of hedge fund Long-Term Capital Management and required a Fed-organized bailout by major Wall Street banks.

Investors have taken out a type of insurance against default. When do they get paid for that?

Credit-default swaps are contracts used by investors as a type of insurance in case a borrower fails to pay. Soon after Russia is deemed to be in default, an industry body that oversees the credit-default-swaps market would meet to determine whether proper terms of a default had occurred. If it deems that to be the case, the body would schedule an auction process, which would allow investors to settle their insurance claims and trade in the underlying bonds. Restrictions on trading in Russian sovereign debt [might complicate the auction process](#).

Caitlin McCabe contributed to this article.

Write to Alexander Saeedy at alexander.saeedy@wsj.com and Caitlin Ostroff at caitlin.ostroff@wsj.com

CO rumf : Russia Ministry of Finance | cnyc : JPMorgan Chase & Co. | imonf : International Monetary Fund

IN ifinal : Financial Services | i814 : Banking | i81402 : Commercial Banking | ibnk : Banking/Credit | iibnk : Integrated Banks

NS gvtre : Finance/Treasury Department | c13 : Regulation/Government Policy | ccat : Corporate/Industrial News | e51 : Trade/External Payments | ecat : Economic News | gesanc : International Sanctions | gpir : Politics/International Relations | gpol : Domestic Politics | gtrade : Trade Barriers/Restrictions | gcat : Political/General News | gdip : International Relations | gvbod : Government Bodies | gvexe : Executive Branch | ncat : Content Types | nfact : Factiva Filters | nfcpin : C&E Industry News Filter

RE russ : Russia | asiaz : Asia | china : China | easiaz : Eastern Asia | eurz : Europe | namz : North America | uk : United Kingdom | usa : United States | ussrz : CIS Countries | apacz : Asia Pacific | bric : BRICS Countries | chinaz : Greater China | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe | weurz : Western Europe

IPD PRO

IPC G/TRE

PUB Dow Jones & Company, Inc. - Enterprise WSJ

AN Document RSTPROBK20220407ei470002t

THE WALL STREET JOURNAL.

CLM World News
SE World
HD **How [Ukraine](#) Used a Ragtag Arsenal to Thwart [Russia's](#) Air Attacks; [Russia](#) pounds [Ukraine](#) with missiles, but the skies are still contested**
BY By Roque Ruiz and Ana Rivas
WC 257 words
PD 7 April 2022
ET 15:00
SN The Wall Street Journal Online
SC WSJO
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

When Russia began its war with Ukraine, it did so wielding far superior air power. But using Soviet-era anti-air systems and imported shoulder-launched missiles, Ukrainian forces repelled Russia's air attack enough to keep the skies contested and thwart Russia's all-important air cover for its ground forces.

As the war continues in its second month, Ukraine's ability to slow Russia's air attacks have allowed its forces to antagonize Russia's front lines, intercept its convoys and protect many of its cities, ultimately leading Moscow to draw its troops back from the north and [shift its focus](#) to eastern Ukraine.

TD

Russia hasn't successfully eliminated Ukraine's surface-to-air missiles, nor has it pressed for the complete destruction of Ukrainian fighter aircraft. Taken together, these factors have prevented Russia from establishing air superiority and fully supporting a ground invasion force, according to [Scowcroft Center's Forward Defense practice](#).

As Ukraine prepares for a new phase in the invasion—one where Russia may double down on bombarding cities and inflicting casualties—Ukraine's air offensive may become critical to its defense.

SHARE YOUR THOUGHTS

What can be learned from Ukraine's air defense tactics? Join the conversation below.

Brian McGill, Taylor Umlauf and Kara Dapena contributed to this article.

[How Ukraine Used a Ragtag Arsenal to Thwart Russia's Air Attacks](#)

NS gvio : Military Action | ncolu : Columns | gcat : Political/General News | gcns : National/Public Security | grisk : Risk News | ncat : Content Types
RE russ : Russia | ukrn : Ukraine | asiaz : Asia | easiaz : Eastern Asia | eurz : Europe | uk : United Kingdom | ussrz : CIS Countries | apacz : Asia Pacific | bric : BRICS Countries | devgcoz : Emerging Market Countries | dypcoz : Developing Economies | eeurz : Central/Eastern Europe | weurz : Western Europe
IPD Wires
IPC N/CMR
PUB Dow Jones & Company, Inc.
AN Document WSJO000020220407ei47000rv

THE WALL STREET JOURNAL.

CLM Sports
SE Life
HD **Boston Marathon Bans Runners Who Live in [Russia](#), Belarus; Russian and Belarusian athletes in an array of sports are facing bans from international competition following the invasion of [Ukraine](#)**
BY By Allison Prang and Jon Kamp
WC 517 words
PD 7 April 2022
ET 23:31
SN The Wall Street Journal Online
SC WSJO
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.
LP

The Boston Marathon will exclude athletes from Russia and its military ally Belarus during the April 18 race due to [Russia's invasion of Ukraine](#), according to race organizers.

The ban applies to athletes currently residing in either country, and also covers an April 16 5K race put on by the Boston Athletic Association, the association said. Russian and Belarusian citizens who aren't currently residents of either country can still race if they were accepted during open registration, but not under either country's flag, the association said.

TD

Sixty-three athletes will be affected, according to the association, which also said it won't recognize the Russian or Belarusian flags until further notice.

"Like so many around the world, we are horrified and outraged by what we have seen and learned from the reporting in Ukraine," said Tom Grilk, chief executive of the Boston Athletic Association. "We believe that running is a global sport, and as such, we must do what we can to show our support to the people of Ukraine."

The Boston Marathon, set to take place April 18, is a highly elite race that draws thousands of runners from all over the world. For men in the 18 to 34 age bracket to compete, they needed a prior marathon race time of [three hours or less to qualify](#). For women in the same age bracket, the qualifying time is three hours and 30 minutes or less. This year's race has a field of 30,000 entrants, according to the association. Some 18,000 people were entered in last year's race.

Russian and Belarusian athletes in an array of sports are facing bans from international competition following the invasion of Ukraine. The International Olympic Committee [earlier this year recommended](#) that athletes from Russia and Belarus be banned from international competitions. The country's men's national team [was also effectively thrown out](#) of qualifying for the World Cup by the governing body of the soccer world.

For the people who can no longer participate in the Boston Marathon because of these new rules, the organization said it "will make reasonable attempts to refund the athletes." Ukrainians who registered for either the marathon or the 5K and can't compete will be able to defer to a later year or get a refund, the BAA said.

For the 2021 Boston Marathon, 35 residents from Russia entered the race, according to the BAA, making up a small portion of the thousands of people who participated.

The 126-year-old Marathon is returning to its traditional spot on the calendar—Patriots' Day, a holiday in Massachusetts—for the first time in three years following disruptions caused by the Covid-19 pandemic.

Write to Allison Prang at allison.prang@wsj.com and Jon Kamp at Jon.Kamp@wsj.com

[Boston Marathon Bans Runners Who Live in Russia, Belarus](#)

CO bslahs : Boston Athletic Association

NS gspo : Sports | gvio : Military Action | gmara : Marathon | ncolu : Columns | gcat : Political/General News | gathl : Athletics | gcns : National/Public Security | grisk : Risk News | ncat : Content Types | nfact : Factiva Filters | nfce : C&E Exclusion Filter | nrgn : Routine General News

RE russ : Russia | boston : Boston | asiaz : Asia | byelrs : Belarus | easiaz : Eastern Asia | eurz : Europe | namz : North America | uk : United Kingdom | ukrn : Ukraine | usa : United States | use : Northeast U.S. | usma : Massachusetts | ussrz : CIS Countries | apacz : Asia Pacific | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe | usnew : New England | weurz : Western Europe

IPD WSJ

IPC N/GEN

PUB Dow Jones & Company, Inc.

AN Document WSJO000020220407ei4700335

THE WALL STREET JOURNAL.

CLM Markets Main

SE Markets

HD **Why [Russia](#) Doesn't Want to Default—Even in a Time of War; The last time [Russia](#) defaulted on its debt, in 1998, it took several years of painful economic reforms to get back in the good graces of international investors**

BY By Anna Hirtenstein and Caitlin Ostroff

WC 1,105 words

PD 7 April 2022

ET 20:02

SN The Wall Street Journal Online

SC WSJO

LA English

CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

Behind the fight over [whether Russia should be allowed to pay off its debts](#) is an age-old issue: Borrowers, even in times of war, want to keep their reputations for making investors whole.

The U.S. Treasury Department this week blocked Russia from paying off a bond it had due on Monday by denying a sanctions waiver to JPMorgan Chase & Co. to process the transfer. The Treasury said U.S. banks would no longer [be allowed to facilitate payments](#), but implied Russia could find other means, possibly using non-U.S. banks.

TD

Russia responded by saying it would pay off investors with rubles instead, delivered to accounts inside Russia. Doing so isn't allowed under the rules of the bond, but it shows Russia's determination not to leave bondholders completely empty-handed. Russia's finance ministry said it considered its obligations fulfilled, though the bond has a 30-day grace period, so Russia has time to switch the payments to dollars.

[While war in Ukraine rages](#) and the [West unveils a fresh round of harsh sanctions](#), Moscow remains steadfast that it wants to [avoid the unpleasant distinction](#) of failing to pay its debts. It last defaulted on local currency bonds in 1998, and it took several years of painful economic reforms to get back in the good graces of international investors. The country hasn't defaulted on foreign debt since the wake of the communist revolution in 1918, when Vladimir Lenin repudiated the Russian Empire's borrowings.

"Russia has proven they don't want to default. It would be very damaging long-term," said Timothy Ash, an emerging-markets strategist at BlueBay Asset Management.

Though Russia's reintegration into the global financial system is hard to imagine at the moment, the country's leaders may want to point back years from now and say Russia did what it could to pay investors through troubled times.

Unlike previous defaults, [Russia has plenty of money to pay off its debts](#), with \$600 billion of foreign currency reserves and billions of dollars in new revenue each week from sales of oil and gas that continue thanks to exceptions written into sanctions policy. But U.S. and European sanctions on Russia's central bank and finance ministry have hemmed in what it can do with the money.

An official default on its debt would have a limited immediate impact on Russia's economy since the country is already cut off from international markets by the sanctions.

Before the invasion, Russia had an investment-grade credit rating from all three major rating companies. Last month, S&P Global, Moody's and Fitch all downgraded it to junk status, warning that the risk of investors not being repaid was high. Then they withdrew their ratings, part of the exodus of companies ceasing operations in the country.

SHARE YOUR THOUGHTS

Do you think Russia could ever default? Why or why not? Join the conversation below.

Russia's dollar bond maturing in 2042 traded at 25 cents on the dollar on Wednesday, down from 98 cents the day before Ukraine was invaded, according to AdvantageData, [a level normally associated with default](#).

"There's going to be issues paying dollars, unless Putin flies to New York and hands out gold bars to investors," Mr. Ash said.

Russia has two broad flavors of bonds held by foreigners: local currency bonds issued in rubles inside Russia, and foreign currency bonds, issued in dollars and euros and traded internationally.

If it fails to make the payments on the dollar bonds, investors would likely declare Russia in default when the grace period ends and seek to get their money back in English courts, where the bonds are governed. The process could take years and investors would be betting on an eventual thaw in relations.

Russia has continued to pay on the ruble bonds, but for over a month it has blocked the payments going to foreign investors, who hold under a fifth of the bonds. The move was a retaliation against Western sanctions.

One class of investors not getting paid would normally constitute a default. But those bonds are governed by Russian law, which may be on the government's side to avoid technically earning the default distinction.

Russia changed a federal securities law in late 2018 to so that an issuer of local debt no longer has to ensure payments reach investors. The borrower's obligations are met if the money arrives at the clearing system, a piece of financial infrastructure that helps process money flows. This is similar to how bond payments work under English law.

"As long as you have paid the clearing system, you have fulfilled your end of the bargain," said Tamer Amara, a partner at law firm Dentons with a focus on Russian capital markets. Lawyers at other firms with a presence in Moscow and U.S.-based bondholders have arrived at similar conclusions.

Records show that the Ministry of Finance sent the interest payment on a ruble bond due on March 2 to the system, the National Settlement Depository, on time. Foreign investors, however, have yet to receive the 22 billion rubles, equivalent to \$270 million, because Russia's central bank blocked the transfer.

Some foreign investors may not have been aware of the new rules: The Russian central bank has an old copy of the federal securities law on the English version of its website. The central bank didn't immediately respond to a request for comment.

The securities law could make suing for payment under Russian law, already a difficult prospect, even more daunting.

Viktor Szabo, an investment director with a focus on emerging-market debt at Abrdn, said his team wrote the value of its local-currency Russian government bonds down to zero. They are holding on to the bonds for the moment in hopes that they will be able to sell in the future for higher prices than the market currently offers.

"We're assuming that at some point this will be resolved," he said. "The money is there so there should be some value, but it just takes time and a lot of patience."

Write to Anna Hirtenstein at anna.hirtenstein@wsj.com and Caitlin Ostroff at caitlin.ostroff@wsj.com

[Why Russia Doesn't Want to Default—Even in a Time of War](#)

CO rumf : Russia Ministry of Finance | usdtr : United States Department of the Treasury

NS gvtre : Finance/Treasury Department | ecat : Economic News | gpri : Politics/International Relations | gpol : Domestic Politics | gvio : Military Action | mntdbt : National Government Debt/Bond Markets | ncolu : Columns | npda : DJ Exclusive Analysis - All | e212 : Government Borrowing | gcat : Political/General News | e21 : Government Finance | gcns : National/Public Security | grisk : Risk News | gvbd : Government Bodies | gvexe : Executive Branch | m12 : Debt/Bond Markets | mcat : Commodity/Financial Market News | mgvdbt : Government Debt/Bond Markets | ncat : Content Types | nfact : Factiva Filters | nfce : C&E Exclusion Filter

RE russ : Russia | asiaz : Asia | easiaz : Eastern Asia | eurz : Europe | namz : North America | uk : United Kingdom | ukrn : Ukraine | usa : United States | ussrz : CIS Countries | apacz : Asia Pacific | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe | weurz : Western Europe

IPD Wires

IPC ABDN.LN

PUB Dow Jones & Company, Inc.

AN Document WSJO000020220407ei47002gx

THE WALL STREET JOURNAL.

CLM Russia News
SE World
HD **Putin's Daughters Face Sanctions Over [Ukraine](#) but Remain Shrouded in Secrecy; Measures being discussed by the U.S. and EU would cast a spotlight on the Russian president's closely guarded family life**
BY By Ann M. Simmons, Vivian Salama and Laurence Norman
WC 1,108 words
PD 7 April 2022
ET 18:19
SN The Wall Street Journal Online
SC WSJO
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

U.S. and European moves to sanction two adult daughters of Russian President Vladimir Putin cast a spotlight on a family shrouded for years in secrecy.

The White House said Wednesday it would sanction Mr. Putin's two children from his now-ended marriage to a former Aeroflot cabin crew member, according to U.S. officials. The European Union, meanwhile, is set to make the same move following discussions among its 27 members, according to diplomats. The EU sanctions, expected to take effect by Friday, would entail a freeze of any assets held in the bloc and a ban on traveling to member countries.

TD

The U.S. Treasury on Wednesday identified the two as Katerina Vladimirovna Tikhonova and Maria Vladimirovna Vorontsova. The Treasury said Ms. Tikhonova is a tech executive whose work supports the Russian government and defense industry. It said Ms. Vorontsova leads state-funded programs that have received funding from the Kremlin for genetics research, which the Treasury said are personally overseen by Mr. Putin.

The two have previously been kept far from the public view, so much so that the Kremlin has only ever identified them by their first names.

The moves come after a weekend of [reports of alleged atrocities](#) that Ukrainian officials say were committed by Russian troops. Moscow has [denied any responsibility for atrocities](#) in territories its army recently occupied in Ukraine.

Kremlin spokesman Dmitry Peskov on Thursday said the sanctions on Mr. Putin's daughters were difficult to understand and Moscow would retaliate as it sees fit. "Russia will definitely respond," he said.

EU officials said on Tuesday they were listing dozens of additional senior officials, oligarchs and politicians in their latest sanctions package. The bloc has broadened the criteria for sanctions to make it easier to go after elites close to the Kremlin.

The EU has already blacklisted the son-in-law of Russia's Foreign Minister Sergei Lavrov and the former wife of Rosneft Chief Executive Officer Igor Sechin. EU officials said last week they would broaden the number of family members of leading officials and oligarchs to increase the pressure on the Kremlin.

"We are targeting the Kremlin, the political and economic elites supporting Putin's war in Ukraine," said Josep Borrell, the EU foreign policy chief, on Tuesday, announcing Brussels' new sanctions package proposal.

One U.S. official said the move against the two daughters is aimed at Mr. Putin's personal wealth. "We believe that many of Putin's assets are hidden with family members, and that's why we're targeting them," the official said Wednesday.

The two Putin daughters were born to Mr. Putin's former wife, Lyudmila Putina. That relationship ended in 2013. Little is known about them. According to the Kremlin's website, Mr. Putin and his wife had Maria before leaving for Germany in 1985, where Mr. Putin was based as a KGB officer. Katerina was born in 1986 in the German city of Dresden.

They were named after their maternal and paternal grandmothers—Maria Ivanovna Putina and Katerina Tikhonovna Shkrebnova, according to the Kremlin biography. "According to their mother, Lyudmila, Putin loves his daughters very much," the biography said. Mr. Putin "always spoiled them, and I had to educate them," Ms. Putina, the president's former wife, is cited as saying.

The two women have kept such a low profile that many Russians don't know what they look like. In an interview with the Russian state news agency, TASS, in October 2020, Mr. Putin acknowledged that he enjoys communicating with his grandchildren but doesn't like to be open about his family for security reasons.

"I have grandchildren, I am happy. They are very good, sweet, like that," Mr. Putin told TASS. "I get great pleasure from communicating with them."

At his annual press conference in 2015, Mr. Putin told the audience that he was proud of his daughters but never "discusses family matters" publicly, including anything to do with his daughters' work. "I'm proud of them," he was cited as saying by TASS. "They continue to study and work. My daughters are fluent in three European languages."

He said his daughters weren't involved in business or politics and he dismissed speculation that they live overseas, insisting that they lived in Russia and had never sought permanent residency anywhere else.

"They didn't get an education anywhere except Russia. They studied only in Russian universities," he said. "They are just living their lives." He declined at the time to comment on media reports that his youngest daughter, Katerina, was in 2015 running the National Intellectual Reserve Center at Lomonosov Moscow State University, a foundation that supports scientific research.

"To talk about where exactly my daughters work and what they do—I have never done this and am not going to do it now, for many reasons, including security issues," Mr. Putin said. He told the audience that his daughters were never like the children of celebrities and never enjoyed being in the spotlight.

"They just live their lives and do it with dignity," he said.

The latest EU sanctions proposal also takes aim at Oleg Deripaska, a raw-materials magnate who founded Russian aluminum giant Rusal, diplomats said. Mr. Deripaska once enjoyed a broad network of top-level European political contacts. He was sanctioned by Washington in 2018 as part of a broad response to U.S. allegations of Russian meddling in U.S. elections, cyberattacks and other provocations.

He [sued the Treasury Department in 2019](#), challenging the U.S. sanctions against him. The lawsuit alleged the Treasury Department made false allegations based on rumor and innuendo to support the sanctions. Last month, a U.S. appeals court rejected Mr. Deripaska's bid to lift the sanctions, upholding an earlier federal judge's ruling dismissing the appeal. An attempt to reach a representative of Mr. Deripaska, made via Rusal, wasn't immediately successful.

Mr. Deripaska wrote on social media last month that peace "is very important." He also [predicted that Western sanctions would drive his country into a prolonged economic crisis](#). The Financial Times first reported his inclusion in the draft EU sanctions list.

Write to Ann M. Simmons at ann.simmons@wsj.com, Vivian Salama at vivian.salama@wsj.com and Laurence Norman at laurence.norman@wsj.com

[Putin's Daughters Face Sanctions Over Ukraine but Remain Shrouded in Secrecy](#)

CO euruno : European Union

NS gvexe : Executive Branch | gcat : Political/General News | gesanc : International Sanctions | gdip : International Relations | gpir : Politics/International Relations | gpol : Domestic Politics | gvtre : Finance/Treasury Department | ncolu : Columns | gvbod : Government Bodies | ncat : Content Types

RE russ : Russia | ukrn : Ukraine | asiaz : Asia | easiaz : Eastern Asia | eurz : Europe | namz : North America | uk : United Kingdom | usa : United States | ussrz : CIS Countries | apacz : Asia Pacific | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe | weurz : Western Europe

IPD Wires

IPC 0486.HK

PUB Dow Jones & Company, Inc.

AN Document WSJO000020220406ei46001rx

THE WALL STREET JOURNAL.

CLM Politics and Policy
SE Politics
HD **Oil Leases on Federal Land: What You Need to Know; High energy prices and a cutoff in oil imports from **Russia** are putting a focus on how the government manages oil and natural gas drilling on public lands**
BY By Katy Stech Ferek
WC 1,485 words
PD 7 April 2022
ET 17:39
SN The Wall Street Journal Online
SC WSJO
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

WASHINGTON—High energy prices and the U.S. decision to cut off Russian oil imports have put a fresh spotlight on the federal government's management of oil and gas drilling on public lands and in coastal waters.

Oil companies say President Biden's decision to put a moratorium on new oil and gas leases on federal land and waters on the day he took office has had a chilling effect on new energy development that could provide more oil and gas.

TD

Mr. Biden said oil companies are sitting on more than 12 million acres of nonproducing federal land with 9,000 approved but unused permits for production, and he wants Congress to place fees on leased wells that aren't producing to encourage domestic production.

Here's a closer look at the issue:

Why did the Biden administration impose a moratorium on oil and gas leases on federal land?

On the campaign trail, Mr. Biden called for ending oil and gas drilling on federal lands as one of several steps aimed at cutting greenhouse gas emissions that contribute to global warming. [Asked about climate initiatives](#) in a March 2020 debate, he said: "No more drilling on federal lands, no more drilling, including offshore, no ability for the oil industry to continue to drill, period."

What's the status of that moratorium?

Mr. Biden initially ordered a 60-day moratorium, but that was later extended to expire when federal officials finished a comprehensive review of their leasing practices, which they did in November.

However, [the moratorium was put on hold](#) by a federal-district court judge in Louisiana on June 15, after 13 states with significant oil and gas drilling sued to block it—saying Congress requires the development of abundant energy resources on public lands. The states also argued that they would lose money and jobs if the moratorium remained in place while the lawsuit unfolded.

The U.S. government has appealed that ruling; arguments are scheduled for May.

Have oil leases resumed?

Not quite. The U.S. Department of Interior conducted an oil and gas lease sale for 80 million acres of seabed in the Gulf of Mexico in November, but that [sale was invalidated by a U.S. District Court judge](#) in Washington, D.C., on Jan. 27, who said that the government botched the way it calculated the lease sale's effect on the environment.

More recently, another court case about climate change and federal projects [led to a temporary delay in leasing](#).

Interior officials haven't announced whether they will hold two more offshore lease sales for Gulf of Mexico parcels that were scheduled to take place before a June 30 deadline set under a five-year offshore leasing program.

As a result, the date of the last successful lease sale of public lands was before Mr. Biden took office. That lease sale took place on Jan. 14, 2021, for 6,850 acres of land in New Mexico, Texas, Oklahoma and Kansas, which raised nearly \$4.1 million.

How much oil are we talking about?

Roughly 25% of U.S. oil production and 14% of gas production comes from federal lands or waters, according to Interior Department spokeswoman Melissa Schwartz. Most domestic supply comes from private property or land owned by the states.

What do environmentalists say?

Environmentalists and climate activists have long-pressured the Interior Department to curtail oil and gas production on federal lands as a way to speed up the U.S. energy transition to renewable sources. They are worried about losing ground on this effort as Biden officials call for oil producers to ramp up production. Since prices began to rise, the groups have said that electric vehicle adoption and growth in domestic wind and solar power are also ways to stabilize costs and improve energy security.

With rising gasoline costs and the cutoff in Russian supplies, would a resumption of federal leasing help bring oil prices down by boosting production?

Oil industry sources say even if the administration announced new lease sales today, it would still take months, if not years, for oil and gas to flow and add to production in a way that could bring down prices. (The National Ocean Industries Association cited one exception: One offshore driller was expecting to begin production later this year on seabed leased in the invalidated sale.)

Longer term, they say resuming leases will also help the industry expand to meet growing demand. They say the pause on new leases, and other actions such as blocking the Keystone XL pipeline expansion, has made investors skittish, which is pushing companies to buy back shares or increase dividends and not invest in new production. A resumption in leasing, they say, would encourage companies to expand production and bring fresh investment to the industry.

What's the Biden administration's response?

The Biden administration said drilling companies have the power to ramp up production right now because of existing leases.

To help spur production, Mr. Biden wants Congress to assess fees on companies that hold leases and built wells but aren't using them to produce oil and gas. Federal lawmakers have yet to follow up with a proposal that incorporates this idea. A White House representative didn't respond to a request for comment on how the fees should be implemented and how much they could cost.

What do the oil companies say about these unused leases?

Industry representatives say Mr. Biden's citation of 9,000 unused permits is misleading for several reasons. More than 2,000 of those leases are tied up in litigation, making them unusable, according to the Independent Petroleum Association of America. Once a permit is secured, companies spend time evaluating the land and sometimes decide it's not worth pursuing for production.

Energy companies may be working through supply-chain shortages, including on steel pipes they need to move oil and gas, and labor shortages prior to drilling, the association said.

[At a Congressional hearing on gasoline prices Wednesday](#), Devon Energy Corp. Chief Executive Richard Muncrief said that it also takes time to collect supplemental permits for rights of way for pipelines, roads and water disposal needed before drilling can begin.

How does the lease process work?

The Interior Department makes land and seabed available to companies through programs at two divisions: the Bureau of Land Management and Bureau of Ocean Energy Management. Officials take marching orders from Congress through the Mineral Leasing Act of 1920 and the Outer Continental Shelf Lands Act of 1953. The divisions manage about 25 million acres of leased land and 2.5 billion acres of seabed.

U.S. officials make plots of land available for leasing, companies bid on those sections and, once secured, go through permitting and environmental reviews before beginning drilling operations.

What would happen if the oil and gas leasing remains stalled for years?

Oil and gas industry representatives said the leasing halt will affect future U.S. supplies. The American Petroleum Institute, the top lobbying group, has said that if a leasing ban lasts for four years, it would eliminate nearly 157,000 U.S. jobs by 2025 and hurt Wyoming, New Mexico and North Dakota especially hard.

Industry groups also said that Interior's delay in releasing a new schedule of offshore lease sales to replace the current schedule, which expires on June 30, will lead to oil and gas production declines beginning in 2032.

Oil and gas lobbyists said that leasing delays that reduce natural-gas supply also increase coal-fired electricity generation, leading to more emissions of planet-warming greenhouse gases.

What do oil companies pay for these leases?

Energy companies that purchase leases upfront also pay royalties of a minimum of 12.5% of the value of what they extract, which has generated an average of \$7.5 billion a year over the past decade for the U.S. Treasury. (Offshore rates range up to 18.75% depending on lease date and water depth.)

Is there any pressure to raise that rate?

Environmental and taxpayer watchdog groups have pushed to increase that rate on the grounds that oil and gas companies can afford to pay a larger amount for selling public resources.

Oil companies have lobbied to keep the current rate to avoid more operating costs.

The Interior Department last year recommended that the agency [begin the process of raising the royalty rates](#), saying that the program "fails to provide a fair return to taxpayers." Congress has also proposed raising rates. Neither action has advanced.

Write to Katy Stech Ferek at katy.stech@wsj.com

[Oil Leases on Federal Land: What You Need to Know](#)

IN ifosfl : Fossil Fuels | i16 : Electricity/Gas Utilities | i1 : Energy | i13 : Crude Oil/Natural Gas Upstream Operations | i1300003 : Crude Petroleum Extraction | iutil : Utilities | iextra : Natural Gas/Oil Extraction

NS c41 : Management | ccat : Corporate/Industrial News | gpir : Politics/International Relations | gpol : Domestic Politics | gvbod : Government Bodies | m14 : Commodity Markets | nadc : Advice | ncolu : Columns | gcat : Political/General News | mcat : Commodity/Financial Market News | ncat : Content Types | nfact : Factiva Filters | nfce : C&E Exclusion Filter | nfcpin : C&E Industry News Filter

RE usa : United States | russ : Russia | asiaz : Asia | easiaz : Eastern Asia | eurz : Europe | namz : North America | ussrz : CIS Countries | apacz : Asia Pacific | bric : BRICS Countries | devgcoz : Emerging Market Countries | dypcoz : Developing Economies | eeurz : Central/Eastern Europe

IPD Wires

IPC G/FDL

PUB Dow Jones & Company, Inc.

AN Document WSJO000020220407ei470025t

HD The **Ukraine Crisis: Allies To Release Millions of Reserve Oil Barrels**

BY By Matthew Dalton

WC 495 words

PD 7 April 2022

SN The Wall Street Journal

SC J

PG A7

LA English

CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

PARIS -- U.S. allies are planning to release nearly 60 million additional barrels of oil from their reserves, officials familiar with the matter said, joining the Biden administration in an effort to tame prices after they rose sharply when Russia invaded Ukraine.

The 31-member nations of the International Energy Agency -- which include the U.S., most of Europe, Australia, Japan, Mexico and others -- are planning to announce a new reserve release totaling 120 million barrels, officials said, the largest release in the IEA's 47-year history.

TD

Around half of that amount would come from U.S. reserves, which were included in Washington's previously announced decision to release 180 million barrels of oil during a six-month period.

That leaves about 60 million barrels of additional oil that would hit the market because of the IEA decision, which is slated to be announced by the end of the week. Those barrels are expected to be released over six months to track the U.S. schedule, an official said.

IEA nations on March 1 announced the release of 60 million barrels -- including 30 million barrels from the U.S. -- in what was then the agency's largest-ever release of reserves.

Futures for Brent crude, the global benchmark, traded down 5.2% to \$101.07 a barrel on Wednesday. The IEA said last week that its members would release additional reserves, but didn't specify how much.

Western officials hope the new supplies will cushion their economies as many buyers move to stop purchasing oil from Russia, the world's second largest crude-oil exporter and third largest producer.

The U.S. has imposed sanctions on Russian oil imports, while European nations are debating whether to do so as well. Europe relies on Moscow for about a quarter of its oil imports.

Analysts are skeptical whether reserve releases will lower prices for long. Placing stored oil on the market can sometimes boost prices later when nations buy crude to replenish their stocks, they said.

Western officials say the move can buy their economies time to replace Russian oil with supplies from other regions, mainly the U.S. and the Middle East. The Biden administration is counting on U.S. oil producers to boost production toward the end of the year to fill the supply gap.

But the countries of the Organization of the Petroleum Exporting Countries, or OPEC, have resisted repeated entreaties from Western governments to boost production since the Russian invasion.

They, along with Russia and its allies, a group called OPEC+, have stuck to a previously agreed plan backed by Moscow that calls for a relatively modest increase in output.

India, meanwhile, has been stepping in to buy steeply discounted Russian oil that is no longer able to find a home in the U.S. or some European countries.



[License this article from Dow Jones Reprint Service](#)

CO inenag : International Energy Agency | opexpc : Organization of the Petroleum Exporting Countries

IN i1300003 : Crude Petroleum Extraction | i1 : Energy | i13 : Crude Oil/Natural Gas Upstream Operations | iextra : Natural Gas/Oil Extraction | ifosfl : Fossil Fuels

NS nimage : Images | ncat : Content Types

RE russ : Russia | usa : United States | eurz : Europe | india : India | jap : Japan | mex : Mexico | ukrn : Ukraine | apacz : Asia Pacific | asiaz : Asia | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | easiaz : Eastern Asia | eeurz : Central/Eastern Europe | indsubz : Indian Subcontinent | lamz : Latin America | namz : North America | sasiaz : Southern Asia | ussrz : CIS Countries

IPC GMA

PUB Dow Jones & Company, Inc.

AN Document J000000020220407ei4700014

HD The Ukraine Crisis: Strike on Ship Alters Russians' Strategy

BY By Brett Forrest in Mykolaiv, Ukraine, and Nancy A. Youssef in Washington

WC 757 words

PD 7 April 2022

SN The Wall Street Journal

SC J

PG A9

LA English

CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

A surprise Ukrainian strike on a Russian ship at a southern port city last month could curb Moscow's plan to expand its hold on the Donbas region, eliminating a key military advantage in the Russian attack plan, said Ukrainian military analysts and U.S. officials.

The March 24 offensive against Russian navy ships docked at a captured port in Berdyansk on the Azov Sea was the first major strike on the Russian fleet, Ukrainian and U.S. officials said. The attack destroyed a ship laden with supplies, drove others back into the sea, and damaged the port facilities.

TD

The strike ended the presumption that Russian ships could attack without the threat of a Ukrainian reply. And it has limited Russia's ability to fire missiles and artillery as it pivots its assault toward Donbas in Ukraine's east, said retired Adm. James Foggo, who commanded U.S. Naval Forces Europe-Africa.

Hours after the strike, Russia moved its ships in port out to sea, making it harder for them to attack Ukraine's cities and preventing them from supporting ground forces.

"It's a major logistical blow," Adm. Foggo said. "It's an 'aha!' moment for the Russians. Despite the damage they have done inside Ukraine, Ukrainian forces are still capable of conducting offensive strikes with precision."

In the nearly two weeks since the strike, Russia's navy hasn't launched any major attacks on Ukrainian cities, although it has struck targets around a few of them. On Sunday, missiles from Russian ships struck the Ukrainian port city of Odessa, hitting infrastructure.

Russia's military made port cities a priority during its assault into Ukraine. It seized the city of Berdyansk, a key foothold for its future attacks in strategically important cities such as Mariupol, just days into its invasion of Ukraine, soon boasting of the advantage the port would afford its war effort.

Quickly putting the port to use, Russia landed huge ships carrying as much as 2,000 tons of supplies each for its ground forces in the Ukrainian south. The Russians ejected Ukrainian cargo ships, dredgers and a tug, then berthed their own ships carrying multiple-launch rocket systems to provide cover for troops moving into the region.

The ships at Berdyansk were only lightly defended, as the nearest Ukrainian forces were about 60 miles away.

"The Russians thought Ukraine didn't have any capability to reach them," said Andrii Ryzhenko, a former Ukrainian navy captain now with the Center for Defense Strategies, a Kyiv think tank with close ties to the military.

By the early weeks of the war, Russia had as many as 22 ships in the Black Sea and another dozen in the Azov Sea, U.S. officials said. At least half of those in the Azov Sea were docked at Berdyansk -- "sitting ducks," said Bryan Clark, a senior fellow at the Hudson Institute, a conservative think tank in Washington.

"It's just an example of how cavalier Russia's operations have been about keeping ships at shore," Mr. Clark said.

Russia had major advantages over the Ukrainian navy for nearly a decade. It captured and destroyed much of the Ukrainian navy at the port of Sevastopol during Moscow's 2014 seizure of Crimea, expanding its influence over the Black Sea. And in the run-up to the Feb. 24 invasion, Russia moved much of its navy from as far as the Baltic Sea toward Ukraine's shores.

The Azov Sea, bounded by Russia, Ukraine and the Crimean Peninsula, has been strategically important for centuries. Ships operating off the Azov Sea coast took part in the Russian assault on the southern city of Mariupol, military analysts said, firing artillery into Mariupol with little risk from Ukraine's defenses. The ships also held supplies for nearby ground forces and provided another line of defense to troops entering Mariupol.

The Azov Sea also is the fastest supply route between Russia and Crimea, because Ukrainian forces destroyed the rail lines between the two in 2014.

U.S. defense officials warned that Russia could be making adjustments in the sea, much as it is doing around the Ukrainian capital.

Since the strike, Russia has withdrawn all but three ships from the Azov Sea as of last week, a U.S. senior defense official said, hindering Moscow's ability to supply troops in the Ukrainian south.

[License this article from Dow Jones Reprint Service](#)

NS	gnavy : Navy gvio : Military Action gdef : Armed Forces gcat : Political/General News gcns : National/Public Security grisk : Risk News
RE	ukrn : Ukraine russ : Russia crimea : Crimea asiaz : Asia bric : BRICS Countries devgcoz : Emerging Market Countries dvpcoz : Developing Economies eeurz : Central/Eastern Europe eurz : Europe ussrz : CIS Countries
IPC	IGV
PUB	Dow Jones & Company, Inc.
AN	Document J000000020220407ei470001z

HD **The Ukraine Crisis: Kyiv Residents On Edge Despite Moscow Retreat --- Some locals return, others emerge from shelters; 'We don't trust the Russians'**

BY By Isabel Coles

WC 901 words

PD 7 April 2022

SN The Wall Street Journal

SC J

PG A9

LA English

CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

KYIV, Ukraine -- On the night Russia invaded Ukraine, Tamara and Serhiy Rynk packed their bags with a few essentials including candles, tea and medicine in preparation to flee Kyiv.

More than a month on, the threat to Ukraine's capital has receded, but the Rynks' bags remain ready by the door to their apartment in this northwestern district of the city.

TD

"We don't trust the Russians," Ms. Rynk said. "Nobody does."

The sense of imminent danger to Kyiv is fading as Russian forces draw back from the city, but residents remain on edge.

More than half of Kyiv's population of over three million fled after Russian troops reached the city's outskirts in February, fearing it would be overrun. Ukrainian forces have since beaten them back and recaptured northern suburbs where mass killings in the formerly Russian-held territory are being unearthed.

More residents are returning to Kyiv. Those who remained have emerged from subway stations and basements where they sheltered in the early days of Russia's invasion, and now largely ignore the air-raid sirens that punctuate night and day.

Officials are planning to reopen the road leading west out of the city, which was cut off by Russian troops. A ban on the sale of alcohol imposed in the first days of the war has been lifted. Supermarket shelves are well-stocked, though some products are hard to find because they have been stored in warehouses in areas where there is fighting.

Apart from a few burnt-out vehicles on the roads, the streets are largely clean in the city's center and municipal services are operating.

Yet, the sense of relief in Kyiv is tempered by the war still raging in other parts of the country. Ukrainian officials also are urging caution, reminding residents the city is still within reach of Russian missiles even as Moscow shifts its focus to the east.

Kyiv is heavily fortified by its air defenses, which have downed Russian missiles over the city, while Ukrainian forces harassed Moscow's troops on the ground.

Even so, some 339 people have been killed as a result of Russian attacks on Kyiv, including four children, according to city council member Kseniya Semenova. Another 1,224 have been wounded, and more than 150 residential buildings have been damaged.

"We do not rule out the possibility of rocket fire," said Kyiv Mayor Vitali Klitschko. "Yes, our air-defense forces are working perfectly, but anything can happen. So I ask people to be patient and not come back."

In the city center, shops along the wide avenues are shut, their windows boarded and goods removed. On the main roads, cars weave around antitank obstacles, through checkpoints built from cinder blocks and sandbags. Trenches are still being dug along the roads' grassy shoulders.

Down side streets, residents have built their own barricades from a jumble of satellite dishes, office chairs and tires that would do little to obstruct a Russian tank. A car's front hood was spray-painted with the words: "This is our land."

At a playground in the Sviatoshynskiy district, Viktoria Liashchevska was spinning her daughter Lina on a merry-go-round -- the toddler apparently oblivious to the thump of shelling in the background.

When war broke out, Ms. Liashchevska considered joining the exodus of women and children from Kyiv, but decided it would be more stressful to leave than stay. "It's important to trust your own instincts," she said.

At first she was too fearful to leave the house. But Lina became restless, so Ms. Liashchevska began taking her out to play whenever the shelling subsided. For Lina's sake, the 37-year-old pretended everything was normal. Gradually, she became accustomed to the new reality too.

Seeing Russian missiles downed by Ukraine's air defenses gave her confidence in the capital's defenses

Work has dried up, however. Ms. Liashchevska and her husband are now dependent on support from a network of volunteers that has mobilized to help people in need citywide.

Many of those who stayed were older residents who were too frail to move, had nowhere to go, or simply couldn't face the upheaval. Nadia Bessarab, 68, sleeps on a foldable bed in the entrance hallway of her apartment -- the most protected spot should the windows be blown in.

The TV is always on in her apartment, which is decorated with religious icons. She prays for victory over Russia and watches the news to learn what is happening elsewhere and to keep track of the negotiations to end the war.

"The Russians say one thing and do another," Ms. Bessarab said. "They're wiping out whole cities."

Tetiana and Volodymyr Yarosh's world has shrunk to the confines of a small apartment from which they only venture out to buy groceries. They remained in Kyiv to care for Ms. Yarosh's 93-year-old mother.

In the first days of the war, Ms. Yarosh watched an online tutorial, teaching herself how to fortify the apartment windows with Scotch tape.

Like many in this city, she has learned to distinguish between the sound of outgoing and incoming fire. "We're practically military experts," she joked.

[License this article from Dow Jones Reprint Service](#)

NS	gvio : Military Action gdef : Armed Forces gcat : Political/General News gcns : National/Public Security grisk : Risk News
RE	ukrn : Ukraine russ : Russia asiaz : Asia bric : BRICS Countries devgcoz : Emerging Market Countries dvpcos : Developing Economies eeurz : Central/Eastern Europe eurz : Europe ussrz : CIS Countries
IPC	IGV
PUB	Dow Jones & Company, Inc.
AN	Document J000000020220407ei470001y

WSJ Podcasts

CLM WSJ Podcast Minute Briefing
HD **Shell Warns of Up to \$5 Billion Hit From Russia Exit**
WC 362 words
PD 7 April 2022
ET 15:36
SN WSJ Podcasts
SC WSJPOD
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

Ukraine asks NATO for more military aid in its fight against Russia. The Securities and Exchange Commission is investigating how Amazon has disclosed some details of its business practices. Fintech company Bolt Financial is buying crypto-services startup Wyre Payments. Keith Collins hosts.

[Click here to listen to the podcast](#)

TD

Keith Collins: Here's Your Morning Brief for Thursday, April 7th. I'm Keith Collins for The Wall Street Journal.

Shell says it expects to report a financial hit of as much as \$5 billion in the first quarter, as a result of its exit from Russia, following its invasion of Ukraine. Last month, the energy giant decided to stop all spot purchases of Russian crude and phase out trading and other operations tied to the country.

In Brussels, Ukraine's foreign minister asked NATO for more weapons and other military aid to fight Russian forces. Moscow has been shifting its strategy to focus on regions in Eastern Ukraine, as it withdraws from the northern part of the country after suffering heavy losses there.

We're exclusively reporting that US federal regulators are looking into how Amazon has disclosed some details of its business practices. Sources say the Securities and Exchange Commission is investigating the e-commerce giant's use of third-party sellers' data. An Amazon spokesman declined to comment.

We're also reporting that FinTech company Bolt Financial is buying crypto services startup, Wire Payments. Sources say the deal is valued at \$1.5 billion, which would make it the biggest merger in the crypto sector that didn't involve a blank check company or SPAC, according to data from research firm Dealogic.

Markets in Asia ended lower and European shares were mostly higher in early trading. US stock futures were stable after yesterday's Wall Street selloff and investors will be watching weekly jobless numbers due out this morning.

We have a lot more coverage of the day's news on the WSJ's What's News podcast. You can add it to your playlist on your smart speaker or listen and subscribe wherever you get your podcasts.

CO

amzcom : Amazon.com, Inc. | rnlp : Shell PLC | txfyo : Bolt Technology OÜ

IN

i1 : Energy | i13 : Crude Oil/Natural Gas Upstream Operations | ifosfl : Fossil Fuels | i64 : Retail/Wholesale | i656000301 : Etailing | iecom : E-commerce | iint : Online Service Providers | iioil : Integrated Oil/Gas | iretail : Retail | itech : Technology | itnsv : Sharing/On-demand Economy Services

NS

naudvl : Audio-visual Links | ntra : Transcripts | ncolu : Columns | ncat : Content Types | nfact : Factiva Filters | nfce : C&E Exclusion Filter | nfcpx : C&E Executive News Filter | niwe : IWE Filter

RE

ukrn : Ukraine | asiaz : Asia | easiaz : Eastern Asia | eurz : Europe | namz : North America | russ : Russia | uk : United Kingdom | usa : United States | ussrz : CIS Countries | apacz : Asia Pacific | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eerz : Central/Eastern Europe | weurz : Western Europe

IPD	SYND
IPC	G/SEC
PUB	Dow Jones & Company, Inc.
AN	Document WSJPOD0020220407ei470005I

HD U.S. News: Oil Executives Deny Price Gouging --- Industry leaders blame Russia war, U.S. policies, supply-chain shortages for high gasoline prices

BY By Timothy Puko

WC 717 words

PD 7 April 2022

SN The Wall Street Journal

SC J

PG A4

LA English

CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

WASHINGTON -- Top oil company executives wrangled with House lawmakers Wednesday over high gasoline prices, rejecting claims by Democrats that they are taking advantage of a global crisis to gouge consumers.

Over a six-hour hearing, Democrats on a House oversight panel castigated executives from Exxon Mobil Corp., Chevron Corp. and other oil giants for raking in historically high profits while slowing investment in U.S. production.

TD

The company chiefs countered that prices were driven by Russia's invasion of Ukraine, restrictive U.S. energy policies and supply-chain shortages slowing the industry.

"It is experiencing severe cost inflation, a labor shortage due to three downturns in 12 years, shortages of drilling rigs, frack fleets, frack sand, steel pipe and other equipment and materials," said Scott Sheffield, chief executive of Pioneer Natural Resources Co., one of the largest U.S. independent oil and gas producers. "We can't grow faster."

The hearing before a House Energy and Commerce subcommittee, in which the executives appeared via video links, was the latest skirmish over responsibility for pump prices that lingered at record highs throughout March.

The issue has taken on added significance ahead of congressional midterm elections in November, with polls showing many worry over how the Biden administration has overseen the economy.

The committee's Republicans sought to place blame for high prices on President Biden's energy policy, including his decision to impose a temporary pause on new oil and gas leases on federal land and his revocation of a permit for the Keystone XL pipeline to carry more oil from Canada.

"We need to look for ways to increase our domestic production and our export capacity," said Rep. Morgan Griffith (R., Va.). "We need energy policy that promotes energy security while also taking advantage of America's abundant energy resources."

Democrats said oil companies have an obligation to do more for Americans and threatened to revoke tax breaks they get to encourage their production.

"Now it's time for Congress to alleviate the pain many Americans are feeling at the pump," said Rep. Diana DeGette (D., Colo.). "We have the capacity right now. The reason why your companies aren't doing it, as you freely and honestly admitted, is because you're looking at your shareholder profits."

Ms. DeGette challenged the executives to explain why retail gasoline prices are down 3.2% from last month, while crude futures are down more than 20% from recent highs.

The oil executives said pump prices are set by retailers, and that prices are a result of several factors including local wages and other operating costs.

"We do not control the price of crude oil or natural gas, nor of refined products like gasoline and diesel fuel," Chevron CEO Mike Wirth said. "And we have no tolerance for price gouging."

Democrats also said the oil executives were giving priority to payouts to their shareholders over reinvesting in oil production.

They cited a survey last month from the Federal Reserve Bank of Dallas, in which half of the big companies that responded said they didn't intend to increase output by more than 5% this year despite higher oil prices. Most respondents cited investor pressure as the top factor limiting their growth.

Rep. Frank Pallone (D., N.J.), chairman of the full Energy and Commerce Committee, said the six oil companies represented at the hearing, which also included BP PLC and Shell PLC, together issued about \$40 billion in dividends last year and have executed or announced \$45 billion in share buyback programs in 2021 and 2022.

"Now that's a lot of money to shareholders but it's coming at the expense of the American people, who need you to dramatically increase production, not shareholder wealth," Mr. Pallone said.

Pioneer and Devon Energy Corp., whose chief executive Richard Muncrief also testified before the panel, had earlier this year reported their highest annual profits in more than a decade.

Exxon reported \$23 billion and Chevron reported nearly \$16 billion in net income for 2021, both their most profitable years since 2014.

Katy Stech Ferek contributed to this article.

[License this article from Dow Jones Reprint Service](#)

CO parpar : Pioneer Natural Resources Co | exxn : Exxon Mobil Corporation | social : Chevron Corporation
IN ifosfl : Fossil Fuels | i1 : Energy | i13 : Crude Oil/Natural Gas Upstream Operations | i1300003 : Crude Petroleum Extraction | iextra : Natural Gas/Oil Extraction | iioil : Integrated Oil/Gas
NS gengsc : Energy Security | c13 : Regulation/Government Policy | gpol : Domestic Politics | gvcng : Legislative Branch | mcroil : Crude Oil Markets | c151 : Earnings | cpsht : Product Shortage | c15 : Financial Performance | c21 : Output/Production | ccat : Corporate/Industrial News | cexpro : Products/Services | gcat : Political/General News | gpir : Politics/International Relations | gvbod : Government Bodies | m14 : Commodity Markets | m143 : Energy Markets | mcat : Commodity/Financial Market News | ncat : Content Types | nfact : Factiva Filters | nfce : C&E Exclusion Filter | nfcpin : C&E Industry News Filter
RE russ : Russia | usa : United States | asiaz : Asia | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eurz : Central/Eastern Europe | eurz : Europe | namz : North America | ussrz : CIS Countries
IPC MEN
PUB Dow Jones & Company, Inc.
AN Document J000000020220407ei470001b

HD The Ukraine Crisis: Glaxo Will Curtail Selling Drugstore Staples in Russia

BY By Denise Roland

WC 375 words

PD 7 April 2022

SN The Wall Street Journal

SC J

PG A7

LA English

CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

GlaxoSmithKline PLC will reduce nearly a third of its consumer healthcare products in Russia as executives across the pharmaceutical industry grapple with an ethical dilemma about their response to the war in Ukraine.

While hundreds of businesses, from auto makers to brewers, have pulled back from Russia, drugmakers have mostly maintained sales in the country, saying they are duty-bound to supply sometimes vital medicines even as they condemn the war.

TD

The pharmaceutical industry hasn't faced the same level of criticism as others for continuing to do business in Russia, though some say Moscow's aggression justifies a complete withdrawal of drug companies.

Glaxo on Wednesday said it would stop the importation of certain products in its consumer healthcare range, including mouthwash, vitamins and food supplements, although it will continue to provide over-the-counter remedies such as flu-symptom medicine Theraflu and pain relief Voltaren. Glaxo doesn't have manufacturing facilities in Russia.

The move reflects the ethical tightrope the company is trying to walk.

"Taking the decision to ration medicines when ultimately you are impacting people, not necessarily the state, is a real ethical question for a company that is focused on healthcare, and providing healthcare," said Phil Thomson, Glaxo's head of global affairs, in an interview before the announcement.

Glaxo's top executives are meeting two to three times a week to review the situation in Russia and Ukraine.

The company earlier said it wouldn't enter contracts that support the Russian government, such as providing vaccines for military immunization programs. Glaxo also has pulled advertising in Russia and pledged to donate profits made there to humanitarian relief for Ukrainian people. It has stopped recruiting new patients into existing clinical trials and won't start new clinical trials in Russia.

Those moves were broadly in line with most other drugmakers, but fewer companies have scaled back their product ranges. Among those that have are Eli Lilly & Co., which said it would stop supplying medicines that it deems nonessential. It didn't specify what it counts as nonessential, though a spokeswoman said one example was erectile dysfunction drug Cialis.

[License this article from Dow Jones Reprint Service](#)

CO glxo : GlaxoSmithKline PLC

IN i951 : Healthcare/Life Sciences | i257 : Pharmaceuticals

NS neqac : Equities Asset Class News | ncat : Content Types | nfact : Factiva Filters

RE russ : Russia | ukrn : Ukraine | asiaz : Asia | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe | eurz : Europe | ussrz : CIS Countries

IPC ABO

PUB Dow Jones & Company, Inc.

AN Document J000000020220407ei4700015

HD **The Ukraine Crisis: EU Keeps Russian Oil, Gas Flowing --- Germany resists key energy boycott as allegations grow of Ukraine civilian killings**

BY By Laurence Norman and Bojan Pancevski

WC 852 words

PD 7 April 2022

SN The Wall Street Journal

SC J

PG A7

LA English

CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

Six weeks after Russia invaded Ukraine, the European Union is taking its first steps to reduce Russian energy imports, depriving Moscow of some of the revenue that covers much of its budget and helps fund its military campaign.

But the EU can't agree to sanction the bloc's biggest business dealings with Russia: the purchase of oil and natural gas. The EU, which imports about 60% of its energy needs, is making large payments to Russia, boosted by higher oil-and-gas prices during the war.

TD

The EU's foreign-policy chief, Josep Borrell, said Wednesday that since the invasion, the bloc's 27 member states had made energy payments worth roughly 35 billion euros, equivalent to about \$38 billion, to Russia.

EU member states Wednesday backed Brussels's latest proposal for banning Russian coal imports; formal approval is expected by Friday. Before this year, such sales amounted to around 4 billion euros annually.

EU officials and some member countries also are urging steps to slash oil imports from Russia, but those proposals continue to face resistance from Germany and some other countries, diplomats say.

Meanwhile, the U.S. and U.K. on Wednesday unveiled more sanctions. White House officials said the U.S. is implementing full blocking sanctions on Russia's largest financial institution, Sberbank, and its biggest private bank, Alfa Bank, as well as expanding other economic sanctions.

The U.S. actions include sanctions against Russian President Vladimir Putin's two adult daughters, Maria Putina and Katerina Tikhonova, as well as the wife and daughter of Foreign Minister Sergei Lavrov and members of Russia's security council, including former President and Prime Minister Dmitry Medvedev and Prime Minister Mikhail Mishustin. The actions cut them off from the U.S. financial system and freeze assets they hold in the U.S., the White House said. Most of these individuals also have been sanctioned by the EU.

The U.S. and European sanctions are crippling Russia's economy but need time to take fuller effect, White House National Economic Council director Brian Deese said Wednesday. "We need to have patience and perspective when it comes to the impacts on Russia," he said.

The U.K., which isn't an EU member, said that it also is freezing Sberbank's assets and banning outward investment in Russia, among other measures.

Berlin says sanctioning oil or gas would harm the EU's economy more than Mr. Putin's ability to wage war, according to officials. The EU imports about three million barrels of Russian oil daily, says the International Energy Agency. Russian gas accounted for 40% of the bloc's gas imports last year, the European Commission says.

Pressure on the EU to reduce its Russian energy imports has intensified following accusations by Ukraine and independent observers that Russian troops have killed hundreds of civilians in occupied parts of Ukraine. Moscow has denied responsibility.

Calls from Poland, the Baltic countries and others for the EU to stop buying Russian gas have encountered opposition from Germany, Hungary and Austria. Berlin has publicly warned of mass unemployment and poverty in Europe's biggest economy if its industries and households must forgo Russian gas.

The German government has set out plans to end its need for Russian oil imports by the end of this year and to stop Russian gas imports by 2024. It aims to expand the use of renewable energy and replace the entire Russian supply of gas with deliveries from elsewhere, including liquefied natural-gas shipments from the U.S., Qatar and other exporters.

That hasn't satisfied other EU governments or Ukrainian President Volodymyr Zelensky, who has called on Germany to act faster.

On Wednesday, Hungarian Prime Minister Viktor Orban said he would be willing to pay for Russian natural gas in rubles, a move that would help Moscow sustain its currency's trading value.

British Foreign Minister Liz Truss said the U.K. wants to at least agree to a timetable for ending Russian energy imports among the Group of Seven major economies North Atlantic Treaty Organization members. The U.K. says it would end imports of Russian coal and oil by the end of 2022.

Some EU countries have proposed reducing oil purchases without a full embargo. European Commission President Ursula von der Leyen said Tuesday that the EU's executive arm is working on proposals regarding oil.

One idea is to place a large tariff on Russian oil imports to curb EU demand. However, the proposal could prove politically difficult among European governments facing pressure from consumers and businesses over already high energy prices.

Ms. von der Leyen said the EU is considering a way of making at least some of its energy payments into an escrow account, effectively freezing some of Russia's energy revenues abroad. However, Russia has warned it would stop supplying energy if it can't access payments for it.

[License this article from Dow Jones Reprint Service](#)

CO euruno : European Union

IN i1 : Energy | i111 : Coal Mining | ibasicm : Basic Materials/Resources | ifosfl : Fossil Fuels | imet : Mining/Quarrying

NS gvexe : Executive Branch | gesanc : International Sanctions | gcat : Political/General News | gdip : International Relations | c314 : Pricing | e211 : Government Budget/Taxation | c31 : Marketing | ccat : Corporate/Industrial News | e21 : Government Finance | ecat : Economic News | gpir : Politics/International Relations | gpol : Domestic Politics | gvbod : Government Bodies | ncat : Content Types | nfact : Factiva Filters | nfcpin : C&E Industry News Filter

RE russ : Russia | ukrn : Ukraine | eecz : European Union Countries | eurz : Europe | gfr : Germany | hung : Hungary | pol : Poland | usdc : Washington DC | usa : United States | asiaz : Asia | bric : BRICS Countries | dach : DACH Countries | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe | namz : North America | uss : Southern U.S. | ussrz : CIS Countries | weurz : Western Europe

IPC IGV

PUB Dow Jones & Company, Inc.

AN Document J000000020220407ei4700013

HD The **Ukraine Crisis: U.S. Helps in Effort to Build War-Crimes Case**

BY By Sadie Gurman and Aruna Viswanatha

WC 705 words

PD 7 April 2022

SN The Wall Street Journal

SC J

PG A7

LA English

CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

WASHINGTON -- Attorney General Merrick Garland said the Justice Department was helping foreign prosecutors gather evidence of alleged Russian war crimes in Ukraine.

He said a top department official in Paris had met this week with the French war-crimes prosecutor, and members of the department's Criminal Division had met with their European counterparts to hash out a plan for collecting evidence on the information on the "atrocities that we have all seen in both photographs and video footage this week."

TD

"We have seen the dead bodies of civilians, some with bound hands, scattered in the streets. We have seen the mass graves," Mr. Garland said on Wednesday. "The world sees what is happening in Ukraine. The Justice Department sees what is happening in Ukraine."

The Justice Department on Wednesday also charged a Russian oligarch with violating U.S. sanctions levied on him in 2014. Officials said the sanctioned oligarch, Konstantin Malofeyev, sought to evade the earlier economic sanctions by trying to secretly acquire media outlets across Europe. They also seized millions of dollars they said are connected to his sanctions violations.

While the U.S. and its allies have unleashed a blizzard of actions in recent weeks to raise the price that Russian President Vladimir Putin and his supporters pay for the invasion of Ukraine -- including sanctioning a host of oligarchs who allegedly owe their wealth to the Kremlin -- the new Justice Department case stems from a long-running investigation.

Mr. Malofeyev was sanctioned in 2014 along with others who were allegedly financing the pro-Russian separatist movement in Crimea.

Deputy Attorney General Lisa Monaco said Mr. Malofeyev "flagrantly and repeatedly" violated those sanctions by setting up media companies that would help spread pro-Kremlin misinformation.

Mr. Malofeyev couldn't be located for comment.

In March, federal prosecutors unsealed a 2021 indictment of a former Fox News employee, John Hanick, on charges that he worked to set up television stations between 2013 and 2017 for Mr. Malofeyev. Mr. Hanick, who was arrested on Feb. 3 in the U.K. and is expected to face extradition proceedings there, couldn't be reached for comment.

In November 2015, Mr. Hanick allegedly wrote to Mr. Malofeyev that a Greek television network they were interested in establishing would be an "opportunity to detail Russia's point of view on Greek TV," prosecutors said. Mr. Malofeyev also tried to acquire a Bulgarian television network, and told Mr. Hanick to conceal his role by using a Greek associate as a cover, so it would look like the buyer was someone other than Mr. Malofeyev, prosecutors alleged.

The Justice Department also accused Messrs. Malofeyev and Hanick of working together to illegally transfer a \$10 million investment that Mr. Malofeyev made in a Texas bank to the business associate in Greece, in a move that violated the sanctions. Prosecutors obtained a warrant to seize those funds, authorities said.

"The same Russian government struggling to defend its unprovoked and unjustified war in Ukraine is also corrupt at its core," Ms. Monaco said. "The corruption starts at the top with Vladimir Putin's oligarch cronies who earned billions of dollars by committing crimes, often at the expense of the Russian people."

Earlier this week, U.S. authorities in Spain seized a \$90 million super yacht belonging to a different sanctioned oligarch with close ties to President Putin. The steps are part of a broader effort by the U.S. and its allies to hold Russia accountable for its actions in Ukraine.

Also on Wednesday, the Justice Department announced it had disrupted a botnet -- a network of infected computers used to carry out malicious cyber activity -- that officials said was operated by Russia's military intelligence service, the GRU. This botnet was disrupted before it could be used, officials said, but others had been seen recently deployed against Ukrainian targets.

"We removed malware from devices used by thousands of mostly small businesses for network security all over the world and then we shut the door the Russians had used to get in them," FBI Director Christopher Wray said.

[License this article from Dow Jones Reprint Service](#)

CO usdojc : United States Department of Justice

NS gvjus : Justice Department | gesanc : International Sanctions | gcrim : Crime/Legal Action | gvbod : Government Bodies | ecat : Economic News | gvio : Military Action | gwar : War Crimes | gcat : Political/General News | gcns : National/Public Security | gdip : International Relations | gpir : Politics/International Relations | gpol : Domestic Politics | grisk : Risk News | gvexe : Executive Branch

RE russ : Russia | ukra : Ukraine | eurz : Europe | fra : France | usa : United States | asiaz : Asia | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcos : Developing Economies | eecz : European Union Countries | eeurz : Central/Eastern Europe | medz : Mediterranean | namz : North America | ussrz : CIS Countries | weurz : Western Europe

IPC IGV

PUB Dow Jones & Company, Inc.

AN Document J000000020220407ei4700011

CLM Wonder Land
HD **Don't Let Putin Win in Ukraine**
BY By Daniel Henninger
WC 909 words
PD 7 April 2022
SN The Wall Street Journal
SC J
PG A15
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.
LP

In no sense now can Vladimir Putin be allowed to win in Ukraine. People shouldn't have to be shot in the back of the head with their hands tied behind them to make that clear, but such is history's record of humanity slow-walking counterattacks against mass slaughter.

Mr. Putin was going to defeat Ukraine quickly. Now he isn't. But he can still win if the West's commitments to Ukraine, however impressive, produce a frozen conflict, as Joint Chiefs of Staff Gen. Mark Milley predicted to Congress Tuesday when he said the conflict could last "years for sure." Time like that is Mr. Putin's friend because he has Stalin's stomach for death, and eventually we won't.

TD

It is good in the wake of the Bucha atrocities that President Biden and Europe's leaders are talking about holding Mr. Putin and his associates accountable for war crimes -- once it is possible to collect evidence. Still, one doesn't have to be Volodymyr Zelensky to notice that these good intentions have little to do with the reality that the current level of help from the North Atlantic Treaty Organization still leaves Ukraine in purgatory, with one foot in Mr. Putin's hell and the other stretching toward deliverance by the West.

A stirring of moral sensibilities is always welcome, but Bucha, Mariupol and these events have surfaced new realities that the West's political leadership can't pretend away into some future when, as they hope, this is over.

A few weeks ago, it was possible at least to describe as an endgame talking point the possibility that Ukraine would be divided into western and eastern parts, ceding control to Russia of the Donetsk and Luhansk regions in eastern Donbas and possibly Crimea if the Putin army establishes a land bridge through Mariupol.

That result, however, assumed the war would default into a traditional military standoff between competing armies. That's not what is happening in Ukraine. It is increasingly clear that after failing to secure a quick win, Mr. Putin's Plan B is scorched earth.

Using crudely targeted long-range missiles, land mines and his army's historic instinct to barbarity, he is simply destroying Ukraine -- its people, its economy, whole cities and infrastructure. After the current "pause," he'll go back for more.

The consequences of this obviously unexpected scale of destruction are significant for the West's calculations. At this point all the arguments, such as they are, for affirming a negotiated settlement that turns so much of Ukraine over to Mr. Putin have become impossible to credit.

It will take a decade and unimaginable amounts of capital to rebuild what Mr. Putin has destroyed. Who exactly is going to do that? Dividing Ukraine in two would effectively turn the eastern part into a Cold War East Germany, which would create the destabilizing post-Yalta imbalances that existed for decades between the wealthy West and those living in the Third World East.

To rebuild the Ukraine under his control, Mr. Putin would have to send vast amounts of his oil and gas revenue into the region. Fat chance of that on the scale needed.

Any serious rebuilding of Mariupol, Mykolaiv and other cities ceded to Russia will never happen without capital investments from Western banks and governments, making us the morally humiliated paymasters for Mr. Putin's demolition. Why is this man smiling?

Until the invasion, Ukraine's economy was growing, including a vital new technology sector, and leaning toward the West. Absent the Putin lunacy, Ukraine could have become an economic "land bridge" between the European Union nations to the west and the modern economy younger Russians were building to the east. Now much of Ukraine is rubble, and the Russian market will be a ruin for years.

Any notion Russians themselves may have entertained that somewhere at the bottom of all this was a rationale for uniting with the medieval political state known as the Kievan Rus is now exposed as a gross lie by their leader. Mr. Putin was willing to settle for nothing more than the dirt.

In the absence of anything but passing press contact with the U.S. president, a question often put to those who interpret for Mr. Biden at the White House, Pentagon and State Department is whether we want Ukraine to win. After this week, I think the better question is: Are we willing to make Mr. Putin lose?

Saying that he's experiencing a "strategic defeat" is a dodge. Every day -- or year -- that he is killing and wrecking, he's winning. Vladimir Putin has to lose in Ukraine, not only in the eyes of the aghast outside world. NATO's current military and political status quo -- the arms flows and ratcheting sanctions -- just isn't enough.

It's a terrible thing to say, but one suspects that for some in Washington, Berlin and Paris, the world's roaring moral outrage at these atrocities lets them kick the harder decisions about raising the military costs for Mr. Putin into another week. If the media is writing about Bucha, genocide and war crimes, the argument fades for sending Ukraine high-altitude missile defenses, counter-artillery radar and other "escalatory" military equipment.

Eventually, Putin wins. Don't let him.

Write henninger@wsj.com.

[License this article from Dow Jones Reprint Service](#)

NS	gvexe : Executive Branch gcat : Political/General News gpol : Domestic Politics gvio : Military Action ncolu : Columns nedc : Commentaries/Opinions gcns : National/Public Security gpir : Politics/International Relations grisk : Risk News gvbod : Government Bodies ncat : Content Types nfact : Factiva Filters nfcpx : C&E Executive News Filter
RE	ukrn : Ukraine donsk : Donbas russ : Russia asiaz : Asia bric : BRICS Countries devgcoz : Emerging Market Countries dvpcos : Developing Economies eeurz : Central/Eastern Europe eurz : Europe ussrz : CIS Countries
IPC	IGV
PUB	Dow Jones & Company, Inc.
AN	Document J000000020220407ei470000x

HD **Russia's Military Troubles Could Be America's**

BY By Seth Cropsey

WC 1,117 words

PD 7 April 2022

SN The Wall Street Journal

SC J

PG A17

LA English

CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

Western observers of Russia's failure in Ukraine likely will soon begin arguing that Moscow's inefficiencies diminish Washington's need to rebuild the U.S. military. But Russian failure has stemmed from logistical issues, and the U.S. military's capabilities, like Russia's, aren't prepared for major combat with a global power.

TD

The Russian military didn't invest enough in logistics, despite spending lavishly on the polished hardware that appears in military parades. The Russian military, like its Soviet predecessor, remains a conscript force and has neither enough professional noncommissioned officers to maintain equipment nor enough officers trained in logistics. In combat, there is a major difference between a military driver with three years of training and an 18-year-old conscript with a driver's license. The Russians expected a Ukrainian collapse, but logistical incompetence prevented Russia from supporting multiple fronts simultaneously. Russia has now withdrawn its bloodied units from northeastern Ukraine toward the Donbas region and has abandoned a significant amount of armor and artillery in the process.

It is tempting to ascribe this failure to authoritarian conditions and assume that American and allied armed forces would be immune to such incompetence. But the U.S. military may encounter logistical problems at a similar scale to Russia if the U.S. defends Taiwan against an assault by China. The People's Liberation Army (PLA) isn't the Russian military, nor does it face the same operational difficulties.

The U.S. has one crucial advantage over Russia: American forces designated for immediate engagement have more resources and are more capable than their Russian counterparts. The U.S. Navy's carrier strike groups and submarines operate constantly in the Indo-Pacific, with two strike groups and some two dozen submarines deployed. These forces could defend Taiwan during a week of intense combat around the Taiwan Strait and West Philippine Sea. But after a week American advantages would decline.

Unlike Russia, China wouldn't need to operate at a major scale in enemy territory. Taiwan is 14,000 square miles, compared with Ukraine at 233,000 square miles. The Taiwan Strait is about 110 miles wide. The PLA's current difficulty is on land. It doesn't have the amphibious capacity to sustain a beachhead from which ground operations on Taiwan can be launched. But it has built a navy capable of high-end combat, with a large, diverse missile arsenal that can bombard any target within the First Island Chain and provide cover for warships moving into the West Philippine Sea.

Because of Taiwan's limited antiship missile arsenal and restricted naval capabilities, Chinese aircraft and warships could return to the mainland to rearm, defended by a comprehensive ground-based anti-air network. China would need to project power only 300 miles from its coast using long-range missiles and submarines to keep U.S. forces at arm's length as it assaults Taiwan after disabling the island's air defenses.

In contrast, the U.S. would need to sustain forces across thousands of miles of open ocean sparsely dotted with islands. The most important is Guam, America's crucial Indo-Pacific logistics hub, which is vulnerable to Chinese missile attack. Improved missile defenses, and a permanent offensive U.S. military presence on Guam and throughout the Marianas archipelago, would improve the island's defensibility. Currently, Joint Region Marianas has five home-ported submarines, no permanent fighters

or bombers, and a seasonally rotated surveillance drone unit. U.S. Indo-Pacific Command has yet to deploy a permanent missile defense system on the island.

U.S. military equipment and support would need to be transported to Guam or further to U.S. forces operating in theater. American warships have more experience than any other nation's with the refuel and resupply of warships at sea. But replenishment in an active combat theater is dramatically different than in peacetime, and the U.S. has had few logistical obstacles in conflicts since World War II.

The U.S. can't sustain the flow of men and materiel to a combat zone for longer than a few months. The U.S. Military Sealift Command is designed for peacetime sustainment, not wartime support. The Chinese military would target MSC ships with missiles and perhaps with submarines. There are far too few American-flagged tankers to fill the logistical gap, and the U.S. can't depend on foreign-flagged shipping.

Even if a vessel is "friendly" flagged, international maritime transport is a fluid business, and actors fair and foul often use shell companies to maximize transport consistency and flexibility. An allied-flagged merchant vessel could be under indirect Chinese or Russian ownership and refuse to transport American goods or be compromised for intelligence purposes. Of the U.S.-flagged fleet, a significant portion would need to remain dedicated to domestic transport between American ports during wartime.

The U.S. could turn to its National Defense Reserve Fleet, a group of mothballed merchant and transport ships kept floating for reactivation in a crisis. Allegedly, this fleet's Ready Reserve Force of 41 ships could be activated within five to 10 days, and ideally in under 48 hours. During a 2019 test, however, only 60% of these ships were seaworthy within that time, and only 40% could leave port.

Ready Reserve Force ships would need to be manned by merchant mariners. But the U.S. Merchant Marine is shrinking: Poor pay, long hours, low funding, and outsourcing have created an aging workforce. This restricted labor pool would be exhausted in months. Then the U.S. would face a logistical crisis on par with Russia's, though likely without the collapse of morale and command that have occurred in Ukraine.

A long war carries obvious risks for China, but Russia's experience in Ukraine provides reasons for Chinese strategists to consider a long war and its costs if they try to seize Taiwan. Given America's logistical issues, a long war may be China's best bet. A year of economic brutality and sustained combat might wear the U.S. down and force capitulation.

Americans shouldn't feel encouraged by Russian missteps in Ukraine. But Moscow's mistakes should cause the U.S. to consider its own difficulties in defending its interests and values in the Pacific.

Mr. Cropsey is founder and president of Yorktown Institute. He served as a naval officer and as deputy undersecretary of the Navy. His books include "Mayday: The Decline of American Naval Supremacy" and "Seablindness: How Political Neglect Is Choking American Seapower and What to Do About It."

[License this article from Dow Jones Reprint Service](#)

NS gdef : Armed Forces | gnavy : Navy | gvio : Military Action | nedc : Commentaries/Opinions | gcat : Political/General News | gcns : National/Public Security | grisk : Risk News | ncat : Content Types | nfact : Factiva Filters | nfcpx : C&E Executive News Filter

RE russ : Russia | usa : United States | taiwan : Taiwan | ukrn : Ukraine | apacz : Asia Pacific | asiaz : Asia | bric : BRICS Countries | chinaz : Greater China | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | easiaz : Eastern Asia | eeurz : Central/Eastern Europe | eurz : Europe | namz : North America | ussrz : CIS Countries

IPC DEF

PUB Dow Jones & Company, Inc.

AN Document J000000020220407ei470000w

THE WALL STREET JOURNAL.

CLM World News
SE World
HD **'We Will Kill You': How [Russia](#) Silenced Its Antiwar Movement; Repressive laws and arrests discourage protests against the war in [Ukraine](#) and prompt dissenters to leave**
BY By Evan Gershkovich
WC 1,654 words
PD 6 April 2022
ET 15:01
SN The Wall Street Journal Online
SC WSJO
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.
CX

Corrections & Amplifications

Kamran Manafly is a 28-year-old teacher at Moscow's School No. 498. An earlier version of this article incorrectly spelled their first name as Karan. (Corrected on April 6)

LP

Alexander Teplyakov wanted to speak out against [the war in Ukraine](#) but feared landing in prison if he took part in a public protest. So the Russian activist designed an antiwar sticker featuring Russian and Ukrainian flags and the phrase "NO TO WAR" and posted and distributed thousands of them around Moscow.

He got into trouble anyway. Russian police hauled the 23-year-old into the Presnensky district police station on March 1, according to a copy of his police records reviewed by The Wall Street Journal. Mr. Teplyakov said he was repeatedly beaten over the head by one officer while in custody. A second officer pressed a pistol to his leg and coerced him into divulging the name of a fellow activist, he added.

TD

"He starts screaming at me to start writing," Mr. Teplyakov said in a telephone interview. He said the police officer threatened him, saying, "We will kill you right now."

Mr. Teplyakov was sentenced to 10 days in jail after being convicted on a charge of disobeying the police, according to a copy of a court ruling. He left for Tbilisi, Georgia, the day after he was released from custody—joining [tens of thousands of Russians who have fled the crackdown](#) on dissent and the fallout of [economic sanctions](#) following Russia's invasion of Ukraine.

A new Russian law prohibiting referrals to the military campaign in Ukraine as a war or an invasion and mass arrests of protesters have largely eliminated visible signs of dissent inside Russia against the war. Large numbers of Russians opposed to the war have chosen to be exiled.

The Kremlin has [welcomed the departures of critics](#).

"Many people are showing themselves to be what we in Russia like to call traitors," Kremlin spokesman Dmitry Peskov said in mid-March. "They disappear from our lives on their own. Some resign from their jobs, some withdraw from their professional lives, and some leave the country and move to other places. That's how Russia is cleansed."

The Kremlin can count on the support of many Russians. President Vladimir Putin's [approval rating rose to 83%](#) at the end of March, from 71% a few days before Russian troops moved into Ukraine, according to independent Russian pollster Levada Center.

What began as a robust protest movement in Russia, with thousands of activists taking part in protests or handing out antiwar literature, has now faded. The last major antiwar rally was on March 13, and the streets have been mostly quiet since. Small protests broke out and around 200 protesters were detained in several cities on Sunday after revelations emerged about [potential war crimes](#) in the Kyiv suburb of Bucha, according to the OVD-Info, an independent rights group.

More than 15,000 antiwar protesters have been [arrested since the start of the invasion](#), OVD-Info said, and 900 of them have received jail sentences averaging 10 days. Independent Russian media has carried accounts of mistreatment of detainees and of people who say they were fired from their jobs for speaking out.

"They've instilled strong fear in people," Maria Kuznetsova, OVD-Info's spokeswoman, said.

Russia's Interior Ministry didn't respond to requests for comment.

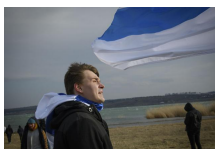
Authorities have launched eight criminal cases under the new law that forbids the use of the words war or invasion to describe the conflict in Ukraine, said Damir Gainutdinov, head of the Net Freedoms Project, a nonprofit rights group. Among those charged include journalists, government employees, a style blogger and a 63-year-old pensioner living outside the Siberian city of Tomsk with 170 followers on her Telegram channel.

Net Freedoms Project has also tracked more than 200 cases of Russians charged—under an older law—with discrediting Russia's armed forces, a violation carrying a fine of up to 1 million rubles, equivalent to almost \$12,000. Repeat offenders risk landing in prison for up to three years.

One 25-year-old woman said that when she was detained at a Moscow police station after participating in an antiwar demonstration, a police officer said he would put her in a cell and allow other prisoners to rape her. The Journal reviewed a copy of her arrest record.

A representative of the police station said he wasn't authorized to comment. The Interior Ministry, which oversees the police, didn't respond to requests for comment.

"He said that we do not deserve to live in this country, that it's time for us to get out of here, that in Russia nothing will change, Putin will always be in power, we are traitors," the woman said. She was one of 3,400 people across the country arrested on March 6 for protests, according to the Interior Ministry.



Mr. Teplyakov said he was repeatedly beaten over the head while in custody in Russia and coerced into divulging the name of a fellow activist. PHOTO: Justyna Mielnikiewicz/MAPS for The Wall Street Journal

In Vladivostok, a port city on Russia's Pacific coast, Anastasia Kotlyar is scheduled to be tried by a court in mid-April on charges of violating Russia's protest laws and refusing to cooperate with the police. She said she and her boyfriend plan to then leave the country as soon as possible.

Ms. Kotlyar was arrested on March 13, according to a copy of police records reviewed by the Journal. During her interrogation, she said a police officer slammed her head on the table. She suffered a concussion and spent six days at Vladivostok's Clinical Hospital No. 2, according to a copy of her medical report reviewed by the Journal.

SHARE YOUR THOUGHTS

How does the war in Ukraine change the future of free speech in Russia? Join the conversation below.

The report said Ms. Kotlyar was "injured while being detained." Reached by phone, the hospital confirmed that Ms. Kotlyar had been hospitalized there. Vladivostok's police department didn't respond to multiple requests for comment. The Interior Ministry didn't respond to requests for comment.

The 25-year-old activist, who helped Russian opposition leader Alexei Navalny organize [antigovernment rallies in her hometown](#) in recent years, said she has been fined and detained repeatedly for violating Russia's protest laws and thinks it is now too dangerous for her to stay in the country.

Kamran Manaflly, a 28-year-old teacher at Moscow's School No. 498, posted on Instagram that he would stand by his antiwar views after his school instructed teachers to push the government line on the war in Ukraine. "I don't want to be a mirror of state propaganda," he wrote on March 8.

Two hours later, he got a call from the school's director, Tamara Gorodzeyko, a Moscow city councilor, telling him to take the post down or quit. He was fired three days later, according to a copy of his dismissal letter reviewed by the Journal, for committing an "immoral offense."

Mr. Manaflly, who has since left Russia, said that two years ago Ms. Gorodzeyko told him she was proud of him for having gone to the U.S. to apprentice at a school there.

"It was a different country. Now you feel it in the educational system, in lessons. It's becoming totalitarian," Mr. Manaflly said.

Moscow's School no. 498 and Ms. Gorodzeyko didn't respond to requests for comment.

There are other factors that explain why the protest movement fizzled out. State control over the airwaves allowed the government to sell its narrative, which depicts the Russian military as liberating Russian-speaking areas of Ukraine from nationalists. Levada on Thursday published a poll showing that 81% of Russians back the military campaign, but it also found that 35% are paying "practically no attention" to the war.

The government also spent last year dismantling Russia's already embattled opposition. Authorities jailed Mr. Navalny for 3½ years, banned his organizations as "extremist," and closed several other opposition networks. In late March, [a court extended Mr. Navalny's prison sentence](#) by another nine years. All of his top lieutenants have been jailed or have fled the country.

"Putin deliberately destroyed all structures that could have built these kinds of collective actions. Now it's clear he did this because he was preparing for war," said Greg Yudin, a political scientist at the Moscow School of Social and Economic Sciences.

Not all antiwar activists are fleeing.

Dmitry Ivanov, the activist who Mr. Teplyakov identified as helping distribute antiwar stickers, said that while police officers haven't approached him he understands the risks of staying in Russia. The 22-year-old student at Moscow State University said the letter Z—which in Russia has become [a symbol of support of the war](#)—was recently spray painted on his front door. This claim couldn't be independently verified, but dozens of opposition-minded people have reported similar acts of vandalism since the start of the invasion.

Mr. Ivanov said he is focusing his efforts not on protesting but on private conversations with friends, colleagues, relatives and neighbors. He believes it will take time for real information about the war to bubble to the surface, saying facts such as the true fatality toll of Russia's soldiers will become clear only in coming months. While Russia has said 1,351 of its soldiers have died in the fighting, the U.S. has estimated that as many as up to 7,000 Russian troops have been killed.

"This is my motherland, my country. I live here. I am a taxpayer," Mr. Ivanov said. "I don't see a reason to hide and run away."

Write to Evan Gershkovich at evan.gershkovich@wsj.com

['We Will Kill You': How Russia Silenced Its Antiwar Movement](#)

NS	gcivds : Civil Unrest gcrim : Crime/Legal Action gvio : Military Action ncolu : Columns ncor : Corrections ncrx : Corrected Items nimage : Images gcat : Political/General News gcns : National/Public Security grisk : Risk News ncat : Content Types
RE	ukrn : Ukraine asiaz : Asia easiaz : Eastern Asia eurz : Europe russ : Russia uk : United Kingdom ussrz : CIS Countries apacz : Asia Pacific bric : BRICS Countries devgcoz : Emerging Market Countries dvpcoz : Developing Economies eeurz : Central/Eastern Europe weurz : Western Europe
IPD	Wires
IPC	N/CMR
PUB	Dow Jones & Company, Inc.
AN	Document WSJO000020220406ei4600107

THE WALL STREET JOURNAL.

CLM Commentary (U.S.)
SE Opinion
HD **Concerts for Ukraine, Again and Again; An outpouring of benefit performances is raising money for the war-torn people after Russia's invasion.**
BY By Peter Funt
WC 776 words
PD 7 April 2022
ET 03:45
SN The Wall Street Journal Online
SC WSJO
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

Music fundraisers are nothing new. They pop up almost every time a worthy cause comes along. But the recent outpouring of musical events to benefit Ukraine appears unprecedented in scope.

In Cleveland the top ticket went for \$1,000, while in Ashfield, Mass., it was only \$20. In New York City, the music was opera, but in Dallas country was on the bill. The common theme in these and dozens of other diverse performances was to raise money for Ukraine in its desperate time of need.

TD

One of the earliest concerts was March 12 at the Eastman Theater in Rochester, N.Y. Two days later, the Metropolitan Opera in New York held a benefit performance, with all ticket sales and donations going to relief efforts. Concerts have since been mounted nationwide—although you generally don't hear much about them unless one is nearby, and even then there is little notice of how widespread these independent efforts are.

Charitable concerts can do only so much to ease the suffering and hardships of the Ukrainians, but fundraising is important. The events help us cope with the war news splashed across front pages and TV screens. In tough times, we often turn to music.

According to Caro Howell, director of London's Foundling Museum, one of the earliest examples of an organized benefit concert occurred in 1749, when the composer George Frideric Handel supported Britain's first children's charity. The program included the debut of Handel's "Foundling Hospital Anthem," beginning with a text adapted from Psalm 41: "Blessed are they that consider the poor and needy, . . . they deliver the poor that crieth, the fatherless." The event was so successful that it was held again the following year, with Handel conducting his epic oratorio "Messiah."

In August 1971, at New York's Madison Square Garden, George Harrison organized a concert for Bangladesh, with two performances taking in close to \$250,000. Subsequent record albums and TV shows raised an estimated \$12 million. After that, benefit concerts became routine, notably with Live Aid and Farm Aid in 1985 and Paul McCartney's Concert for New York City after the World Trade Center attack in 2001.

But these are single events mounted by superstars. What's happening now with concerts for Ukraine is almost spontaneous combustion by lesser-known performers in locales world-wide. Typical was a March 27 concert at the Music Hall theater in Tarrytown, N.Y. Co-producer Irena Portenko, a classical pianist, explained, "We had to do something." The single sellout performance raised nearly \$28,000.

In Reading, Pa., last weekend, tickets went for \$20 at a Ukraine benefit concert featuring local musicians. In Shaker Heights, Ohio, this coming weekend, local musicians and educators are joining for a benefit, with tickets as high as \$1,000. A concert, organized by Seattle Mayor Bruce Harrell and more than two dozen other mayors in King County, Wash., is already sold out. A different approach was tried last month in San Diego, where the concert organized by the Spreckels Organ Society was free, with attendees urged to donate money to Ukrainian relief efforts.

When celebrities take part in charitable concerts, it's an example of what the sociologist Paul Schervish has called "catalytic philanthropy." Money is raised, but by endorsing a cause, performers also inspire others to make donations.

One point of contention, however, concerns those musicians who have in the past expressed support for Vladimir Putin. The Metropolitan Opera broke ties with soprano Anna Netrebko last month over her failure to repudiate her longstanding support of Mr. Putin. The singer wrote that she opposed the war in Ukraine, but added, "forcing artists, or any public figure, to voice their political opinions in public and to denounce their homeland is not right."

Then there are amateur performers such as Valentin Kovalev, a Russian student in the University of Michigan's master's program for saxophone performance, who has helped organize a benefit concert for Ukraine next Sunday, featuring performances by both students and faculty.

"As a musician, I cannot do a lot of things. I'm not a politician; I cannot change anything; I cannot change this whole situation, but I can bring the awareness to people," Mr. Kovalev told the Ann Arbor News. "I can unite us all in music because music has its own language. . . . We all speak the language of music."

Mr. Funt is author of "Self-Amused: A Tell-Some Memoir."

[Concerts for Ukraine, Again and Again](#)

NS	gconce : Concerts gcha : Charities/Philanthropy gmusic : Music ccspn : Corporate Sponsorship gent : Arts/Entertainment gopera : Opera gpir : Politics/International Relations gpol : Domestic Politics ncolu : Columns nedc : Commentaries/Opinions gcat : Political/General News c31 : Marketing ccat : Corporate/Industrial News gcom : Society/Community gtheat : Theater ncat : Content Types nfact : Factiva Filters nfcpx : C&E Executive News Filter nfcpi : C&E Industry News Filter
RE	usa : United States ukrn : Ukraine eurz : Europe namz : North America nyc : New York City russ : Russia uk : United Kingdom use : Northeast U.S. usny : New York State asiaz : Asia bric : BRICS Countries devgcoz : Emerging Market Countries dvpcoz : Developing Economies eeurz : Central/Eastern Europe ussrz : CIS Countries weurz : Western Europe
IPD	Opinion
IPC	N/ART
PUB	Dow Jones & Company, Inc.
AN	Document WSJO000020220406ei46006pp

THE WALL STREET JOURNAL.

CLM Commentary (U.S.)
SE Opinion
HD **Wish the Fed Luck as It Seeks a Soft Landing on Inflation; Powell's post-pandemic optimism didn't count on adverse supply shocks from the war in [Ukraine](#).**
BY By Alan S. Blinder
WC 863 words
PD 7 April 2022
ET 03:46
SN The Wall Street Journal Online
SC WSJO
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

Americans don't agree on much these days, but there seems to be one thing we strongly agree on: Inflation is far too high. A recent Gallup [poll](#) found concern with inflation easily topping the list of the nation's economic worries.

It also tops the Federal Reserve's worry list, and Chairman Jerome Powell has pledged to "use our tools" to bring inflation down. "Use our tools" in this context is a euphemism for raising interest rates. But what, specifically, is the Fed trying to accomplish with higher rates? And are its tools enough to do the job?

TD

The central bank's latest economic projections, from March 16, answer the first question: The Fed is trying to engineer a soft landing by the end of next year, with unemployment about where it is today (3.6%) and inflation down to 2.6%—as measured by the Fed's favorite index, the inflation rate for personal consumption expenditures excluding food and energy, or core PCE for short.

How likely is the Fed to achieve those ambitious goals? A few months ago I would have answered that it had a fighting chance—probably below 50%, but not trivial. Lefty Gomez, a star pitcher for the New York Yankees in the 1930s, famously declared that he'd "rather be lucky than good." To pull off a soft landing, a central bank must be both lucky and good. The Fed has [managed](#) it several times over the years, if you aren't too fussy about the definition of "soft."

The Powell-led Federal Reserve is skillful and smart. I trust it to be "good." But the luck part turned strongly against it when Russia invaded Ukraine. That brutal war is now causing substantial adverse supply shocks around the world because Russia and Ukraine were major suppliers of both food and energy. As we all remember from the 1970s and '80s, adverse supply shocks like these are stagflationary. They drive inflation up and real economic growth down.

By how much and for how long are impossible to know today because no one knows the future course of the war. The direction is clear, however: Inflation is headed higher, and economic growth will slow down. Both of these developments will make it harder to achieve a soft landing. The Fed's odds are now substantially below 50-50.

To get a sense of the difficulty, start by forgetting about the latest number on headline Consumer Price Index inflation—7.9% over the past 12 months. There is basically nothing a central bank can do about food and energy prices, which is why most economists focus on core rather than headline inflation. In addition, the Fed's 2.6% target applies to PCE inflation, not CPI inflation.

Those two adjustments bring us to the core PCE inflation rate, which is running at "only" 5.4% over the past 12 months. That's still way above the Fed's expressed target for the end of 2023 (and even more above its long-run target of 2%). So the Fed is trying to cut 2.8 percentage points from the inflation rate without causing a recession. It was going to be a heavy lift before the war, and it looks even heavier now.

The bloody conflict in Ukraine is already driving food and energy prices higher, which will boost headline inflation in the coming months. Core inflation won't be immune because food and energy prices seep into virtually all other prices, albeit in muted form. What product doesn't include energy in its cost, either directly (to keep the lights on) or indirectly (via delivery trucks)?

Beyond that, the longer inflation remains high, the more it gets embedded into wages and other contractual arrangements. When workers see inflation coming, they want to be compensated for it. And once higher inflationary expectations get entrenched, they affect price- and wage-setting throughout the economy, making a soft landing harder to achieve.

Fortunately, expected inflation doesn't appear to have gotten out of hand, at least not yet. The 10-year "break-even" inflation rate implied by bond prices is only 2.8%. That's a bit higher than the Fed would like, but only a bit. The key questions: How long will the expectations dam hold if high inflation continues? If the dam breaks, how much will the Fed have to raise interest rates to beat down inflationary psychology?

Before the war, it looked as if the Fed might glide by. Inflation appeared likely to turn down soon, and expectations of future inflation probably would have followed. Now, unfortunately, that optimism looks rather out of date.

So let's all join Lefty Gomez in wishing Jay Powell and company good luck. They'll need it.

Mr. Blinder, a professor of economics and public affairs at Princeton, served as vice chairman of the Federal Reserve, 1994-96.

[Wish the Fed Luck as It Seeks a Soft Landing on Inflation](#)

CO fed : Board of Governors of the Federal Reserve System

NS e1103 : Inflation Figures/Price Indices | ecat : Economic News | e12 : Monetary Policy | e11 : Economic Performance/Indicators | gpir : Politics/International Relations | gpol : Domestic Politics | ncolu : Columns | nedc : Commentaries/Opinions | npred : Economic Predictions/Forecasts | gcat : Political/General News | ncat : Content Types | nfact : Factiva Filters | nfcpx : C&E Executive News Filter

RE ukrn : Ukraine | eurz : Europe | uk : United Kingdom | dvpcz : Developing Economies | eeurz : Central/Eastern Europe | weurz : Western Europe

IPD Opinion |

IPC G/FED

PUB Dow Jones & Company, Inc.

AN Document WSJO000020220406ei46006sh

THE WALL STREET JOURNAL.

CLM Health
SE Business
HD **Glaxo to Curb Drugstore Staples in [Russia](#) as It Walks Ethical Tightrope; Drugmaker's move comes as industry weighs which products to withhold in response to [Ukraine](#) invasion**
BY By Denise Roland
WC 925 words
PD 6 April 2022
ET 20:16
SN The Wall Street Journal Online
SC WSJO
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

GlaxoSmithKline PLC is to cut nearly a third of its consumer healthcare products in Russia as executives across the pharmaceutical industry [grapple with an ethical dilemma](#) over their response to the war in Ukraine.

While hundreds of businesses from auto makers to brewers have [pulled back from Russia](#), drugmakers have mostly maintained sales in the country, saying they are duty-bound to supply sometimes vital medicines even as they condemn the war.

TD

The pharmaceutical industry hasn't faced the same level of criticism as others for continuing to do business in Russia, though some—including Ukrainian President Volodymyr Zelensky—say that [Moscow's aggression](#) justifies a complete withdrawal of drug companies.

Glaxo on Wednesday said it would stop the importation of certain products in its consumer healthcare range, including mouthwash, vitamins and food supplements, although it will continue to provide over-the-counter remedies like flu-symptom medicine Theraflu and pain relief Voltaren. Glaxo doesn't have manufacturing facilities in Russia.

The move reflects the ethical tightrope the company is trying to walk.

"Taking the decision to ration medicines when ultimately you are impacting people, not necessarily the state, is a real ethical question for a company that is focused on healthcare, and providing healthcare," said Phil Thomson, Glaxo's head of global affairs, in an interview given before the announcement. "That notion of us self-rationing is incredibly challenging to deal with."

Glaxo's top executives are currently meeting two to three times a week to review the situation in Russia and Ukraine, including its response.

The company had earlier said it wouldn't enter contracts that support the Russian government or military, such as providing vaccines for military immunization programs. Glaxo has also pulled advertising in the country and pledged to donate any profits made there to humanitarian relief for Ukrainian people. It has also stopped recruiting new patients into existing clinical trials and won't start any new clinical trials in Russia.

Those moves were broadly in line with most other drugmakers, but fewer companies have scaled back their product ranges. Among those that have are Eli Lilly & Co., which [said it would stop supplying medicines](#) that it deems nonessential. It didn't specify what it counts as nonessential, though a spokeswoman said one example was erectile dysfunction drug Cialis.

AbbVie Inc. has said it would suspend the sale of aesthetics products in Russia. That includes Botox for cosmetic use, although the company continues to sell the injection for therapeutic use, such as migraine prevention.

Johnson & Johnson has said it would halt the supply of personal-care products, although it didn't specify which ones. The company's consumer unit sells items ranging from Band-Aids to skin and beauty brands like Neutrogena and Aveeno.

Russia isn't a big market for Western drugmakers. Sales in the country typically account for less than 2% of the companies' world-wide total, according to analysts and companies. Continuing to operate in Russia is also challenging and companies may soon be unable to supply all their medicines to the country for logistical reasons, executives have said.

Jeffrey Sonnenfeld, a professor at the Yale School of Management who is tracking companies' responses to Russia's invasion of Ukraine, said drugmakers should go further by either pulling out completely or supplying only medicines that are strictly lifesaving.

"The goal is to hit the average Russian," he said. "If you go ahead and provide these comforts the way these pharma companies are doing, you're just making life easy for them. You're supporting complacency."

Mr. Zelensky has also directed criticism at the industry. In a speech in mid-March, he named Sanofi, Bayer AG and J&J, alongside several businesses from other sectors, as companies that he claimed "still sponsor Russia's military machine" and, in his opinion, should have left the Russian market immediately. Those companies didn't comment on the speech but pointed to the actions they have taken to curtail activity in Russia and donate humanitarian aid to Ukraine.

Executives must also contend with internal opposition to their positions in Russia. At pharmaceutical and crop-science giant Bayer AG, some employees have asked executives to stop selling all the company's medicines, seeds and other products to Russia.

"We have been spending an enormous amount of time discussing what is the right thing to do," said Bayer Chief Executive Werner Baumann, who in the early weeks of the invasion held meetings every other day to discuss the company's response. "The tragedy of the situation is that we can't do justice to every opinion."

Bayer [continues to supply agricultural products](#), as well as medicines like blood-thinner Xarelto, to Russia. It has, though, said it would suspend all advertising, halt capital-investment projects and not pursue any new business opportunities in Russia and Belarus. It has also threatened to halt its crop supplies to Russia next year unless Moscow stops its attacks on Ukraine.

"Whatever you're going to do you're going to gain and you're going to lose," said Caroline Sapriel, managing director of crisis management consulting firm CS&A International. "There's a moral responsibility on one side and a moral responsibility on the other."

Write to Denise Roland at Denise.Roland@wsj.com

[Glaxo to Curb Drugstore Staples in Russia as It Walks Ethical Tightrope](#)

CO glxo : GlaxoSmithKline PLC

IN i951 : Healthcare/Life Sciences | i257 : Pharmaceuticals

NS ccat : Corporate/Industrial News | gethic : Ethical Issues | ghea : Health | gvio : Military Action | ncolu : Columns | gcat : Political/General News | gcns : National/Public Security | gcom : Society/Community | grisk : Risk News | gsoc : Social Issues | ncat : Content Types

RE russ : Russia | ukrn : Ukraine | asiaz : Asia | easiaz : Eastern Asia | eurz : Europe | uk : United Kingdom | ussrz : CIS Countries | apacz : Asia Pacific | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe | weurz : Western Europe

IPD Wires

IPC ABBV

PUB Dow Jones & Company, Inc.

AN Document WSJO000020220406ei4600335

THE WALL STREET JOURNAL.

CLM Europe News
SE World
HD **Europe Keeps Russian Oil, Gas Flowing Despite Tightening Sanctions; Germany resists far-reaching energy boycott as allegations of civilian killings in Ukraine add pressure to increase penalties on Moscow**
BY By Laurence Norman and Bojan Pancevski
WC 1,159 words
PD 6 April 2022
ET 22:03
SN The Wall Street Journal Online
SC WSJO
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

Six weeks after [Russia invaded Ukraine](#), the European Union is taking its first steps to reduce Russian energy imports, depriving Moscow of some of the revenue that covers much of its budget and helps fund its military campaign.

But the EU can't agree to sanction the bloc's biggest business dealings with Russia: the purchase of oil and natural gas. The EU, which imports around 60% of its energy needs, is making large payments to Russia, boosted by higher oil-and-gas prices during the war.

TD

The EU's foreign-policy chief, Josep Borrell, said Wednesday that since the invasion, the bloc's 27 member states had made energy payments worth around 35 billion euros, equivalent to about \$38 billion, to Russia.

EU member states on Wednesday backed Brussels' latest proposal, presented Tuesday, for [banning Russian coal imports](#); formal approval is expected by Friday. Before this year, such sales amounted to around €4 billion annually.

EU officials and some member countries are also urging steps to slash oil imports from Russia, but those proposals continue to face resistance from Germany and some other countries, diplomats say.

Meanwhile, the U.S. and U.K. on Wednesday unveiled more sanctions aimed at further punishing the Russian economy.

White House officials said the U.S. was implementing full blocking sanctions on Russia's largest financial institution, Sberbank, and its biggest private bank, Alfa Bank, as well as [expanding other economic sanctions](#) including on family members of Russian President Vladimir Putin and other top officials.

In addition, President Biden on Wednesday will sign an executive order prohibiting new investment in Russia by American investors, including those outside the U.S.

The U.S. actions announced Wednesday also include sanctions against Mr. Putin's two adult daughters, Maria Putina and Katerina Tikhonova, as well as the wife and daughter of Foreign Minister Sergei Lavrov and members of Russia's security council, including former President and Prime Minister Dmitry Medvedev and Prime Minister Mikhail Mishustin. The actions cut them off from the U.S. financial system and freeze any assets they hold in the U.S., the White House said. Most of these individuals have also been sanctioned by the EU.

The series of American and European sanctions are crippling Russia's economy but need time to take fuller effect, White House National Economic Council director Brian Deese said Wednesday. "We need to have patience and perspective when it comes to the impacts on Russia of this unprecedented and crippling sanctions regime that we have now put in place," Mr. Deese told reporters.

The U.K., which isn't an EU member, said that it was also freezing Sberbank's assets and banning outward investment in Russia, among other measures.

Berlin says sanctioning oil or gas would harm the EU's economy more than Mr. Putin's ability to wage war, according to officials. The EU imports around three million barrels of Russian oil daily, according to the International Energy Agency. Russian gas accounted for 40% of the bloc's gas imports last year, according to the European Commission.

Pressure on the EU to reduce its Russian energy imports has intensified following accusations by Ukraine and independent observers in recent days that Russian troops have [killed hundreds of civilians](#) in occupied parts of Ukraine. Moscow has denied any responsibility for atrocities in areas its army recently occupied there.

Calls from Poland, the Baltic countries and others for the EU to stop buying Russian gas have encountered opposition from Germany, Hungary and Austria. Berlin has publicly [warned of mass unemployment and poverty](#) in Europe's biggest economy if its industries and households must forgo Russian gas.

The German government has set out plans to end its need for Russian oil imports by the end of this year and to stop Russian gas imports by 2024. It aims to expand the use of renewable energy, such as wind and solar power, and replace the entire Russian supply of gas with deliveries from elsewhere, including liquefied natural-gas shipments from the U.S., Qatar and other exporters.

That hasn't satisfied other EU governments or Ukrainian President Volodymyr Zelensky, who has called on Germany to act faster.

On Wednesday, four days after being [re-elected in a landslide vote](#), Hungarian Prime Minister Viktor Orban told reporters he would be willing to pay for Russian natural gas in rubles, a move that would help Moscow sustain its currency's trading value. Mr. Orban campaigned for a fifth four-year term on promising to block any sanctions that would disrupt access to affordable Russian gas.

British Foreign Minister Liz Truss said the U.K. wants at least to agree to a timetable for ending Russian energy imports among the Group of Seven major economies North Atlantic Treaty Organization members. The U.K. said Wednesday it would end all imports of Russian coal and oil by the end of the year.

Some EU countries have proposed reducing oil purchases without a full embargo. European Commission President Ursula von der Leyen said Tuesday that the EU's executive arm was working on proposals regarding oil.

One idea under discussion is to place a large tariff on Russian oil imports to curb EU demand. However, the proposal could prove politically difficult among European governments facing pressure from consumers, drivers and businesses over already high energy prices.

Ms. von der Leyen said the EU is also considering a way of making at least some of its energy payments into an escrow account, effectively freezing some of Russia's energy revenues abroad. That approach was used to freeze much of Iran's foreign energy sales under U.S. and international sanctions over the last decade. However, Russia has warned it would stop supplying energy if it can't access payments for it.

German officials have privately signaled they might agree to an oil embargo phased in over several months. That could give EU countries that import large amounts of Russian oil time to adjust their supplies and make changes to refineries built to receive Russian crude.

Several studies by economists have found that an immediate embargo on Russian oil and gas could shave 3% to 6% off Germany's gross domestic product, roughly the same contraction Germany's economy suffered during the Covid-19 pandemic and associated lockdowns.

German Chancellor Olaf Scholz has dismissed such findings as based on uncertain theoretical models, instead citing warnings by German industry that boycotting Russian gas in particular could cause an economic disaster.

Drew Hinshaw, Gordon Lubold and Amara Omeokwe contributed to this article.

Write to Laurence Norman at laurence.norman@wsj.com and Bojan Pancevski at bojan.pancevski@wsj.com

[Europe Keeps Russian Oil, Gas Flowing Despite Tightening Sanctions](#)

CO euruno : European Union

IN i1 : Energy

NS gesanc : International Sanctions | gcat : Political/General News | gvexe : Executive Branch | gdip : International Relations | c13 : Regulation/Government Policy | ccat : Corporate/Industrial News | e211 : Government Budget/Taxation | e51 : Trade/External Payments | ecat : Economic News | gpir : Politics/International Relations | gtrade : Trade Barriers/Restrictions | gvbod : Government Bodies | gvio : Military Action | ncolu : Columns | e21 : Government Finance | gcns : National/Public Security | gpol : Domestic Politics | grisk : Risk News | ncat : Content Types | nfact : Factiva Filters | nfcpin : C&E Industry News Filter

RE russ : Russia | usa : United States | eecz : European Union Countries | asiaz : Asia | easiaz : Eastern Asia | eurz : Europe | gfr : Germany | namz : North America | uk : United Kingdom | ukrn : Ukraine | usdc : Washington DC | uss : Southern U.S. | ussrz : CIS Countries | weurz : Western Europe | apacz : Asia Pacific | bric : BRICS Countries | dach : DACH Countries | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe

IPD Wires

IPC ALFA.UR

PUB Dow Jones & Company, Inc.

AN Document WSJO000020220406ei46002xl

THE WALL STREET JOURNAL.

CLM Letters
SE Opinion
HD Beneath **Russia's** Musical Supremacy, I Find **Ukraine**; Look at the great 20th-century pianists and violinists, one by one.
WC 162 words
PD 6 April 2022
ET 21:42
SN The Wall Street Journal Online
SC WSJO
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.
LP
In his review of Elizabeth Wilson's book "Playing With Fire" ([Books](#), April 2), Norman Lebrecht suggests that, given Russia's invasion of Ukraine, "This may not be the timeliest moment to proclaim Russia's creative superiority, but the musical facts are incontrovertible." He points out that in the last century Russia produced four of the world's greatest pianists: Sergei Rachmaninov, Vladimir Horowitz, Sviatoslav Richter and Emil Gilels.
TD
Today, only Rachmaninov would be considered Russian. Horowitz, Richter and Gilels were all born in what is now Ukraine. The same is true regarding the great Russian violinists of the 20th century: Jascha Heifetz was Lithuanian; Mischa Elman, Nathan Milstein and David Oistrakh were all from Ukraine. The musical facts show that Ukraine also has a rich cultural heritage.
Ed Davis
Brooklyn, N.Y.
[Beneath Russia's Musical Supremacy, I Find Ukraine](#)
NS gmusic : Music | nedc : Commentaries/Opinions | nlet : Letters | gcat : Political/General News | gent : Arts/Entertainment | ncat : Content Types | nfact : Factiva Filters | nfce : C&E Exclusion Filter | nfcpx : C&E Executive News Filter | niwe : IWE Filter | nrgn : Routine General News
RE russ : Russia | ukrn : Ukraine | asiaz : Asia | easiaz : Eastern Asia | eurz : Europe | uk : United Kingdom | ussrz : CIS Countries | apacz : Asia Pacific | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe | weurz : Western Europe
IPD Opinion |
IPC R/ASI
PUB Dow Jones & Company, Inc.
AN Document WSJO000020220406ei46003xp

THE WALL STREET JOURNAL.

CLM Business
SE Business
HD **Ukraine War Sparks Global Scramble for Cooking Oils; Sunflower oil shortages have triggered a domino effect, with prices of rapeseed, palm and olive oils soaring as food makers seek alternatives**
BY By Saabira Chaudhuri
WC 1,368 words
PD 6 April 2022
ET 15:32
SN The Wall Street Journal Online
SC WSJO
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.
LP

Russia's [invasion of Ukraine](#) has sparked a global shortage of sunflower oil that has in turn pushed prices of other edible oils to record highs, hitting food makers and consumers already grappling with inflation.

Ukraine is a major producer of sunflower oil, making up over 47% of the world's exports, according to research firm Mintec. But shipments of sunflower oil—and seeds used by crushers elsewhere—have [ground to a halt amid the war](#), disrupting supplies of a commodity widely used for cooking and as an ingredient in everyday products like margarine, mayonnaise and bread.

TD

The shortage of Ukrainian sunflower oil has triggered a domino effect that underscores how interconnected global commodity markets are pushing up the price of other oils produced elsewhere, including those not ordinarily considered substitutes for sunflower oil.

The disruption comes on top of [already high prices for edible oils](#) after crop failures in Canada and South America.

"We were already in the middle of an inflection point," said Luciano Chiumiento, commercial director of Italian pesto maker CLAS SpA., ordinarily a major user of sunflower oil. "Then there was the war and it made everything more crazy."

Global sunflower oil prices were up 44% at the end of March compared with a year earlier, while rapeseed oil had risen 72%, according to market data firm Mintec Ltd. The price of soybean oil is up 41%, palm oil has gained 61% and olive oil is 15% higher. Other than olive oil, all the rest hit record high prices in March, says Mintec.

At first, many food manufacturers switched to rapeseed oil, the easiest substitute for sunflower oil, said Gary Lewis, head of KTC Edibles Ltd., a U.K.-based seller of cooking and ingredient oils.

Rapeseed oil prices quoted by crushers quickly jumped between 40% to 50%, Mr. Lewis said. Rapeseed supplies then soon began to run low, too. Now, KTC isn't selling either sunflower oil or rapeseed oil, he said, because they can't get hold of them.

"The world is realizing it's not easy to take a major commodity like sunflower oil and switch to an alternative," Mr. Lewis added.

Sunflower oil is a popular cooking oil but also an attractive ingredient for products like mayonnaise and margarine, particularly in Europe, because of its relatively mild flavor and wide availability. Substituting in palm oil can be tough because it is more dense, while soy oil raises allergy risks and concerns over genetically modified organisms, said Albert McQuaid, chief science and technology officer for Irish ingredients maker Kerry Group PLC. The company is in the process of swapping sunflower for rapeseed oil in the emulsifiers it makes for mayonnaise and margarine makers.

Olive oil, a relatively niche and expensive product, has emerged as a more unlikely substitute, executives say.

Prices of refined olive oil generally trend about four times higher than those of sunflower oil, while global production of sunflower oil is more than seven times as large as olive oil, according to Walter Zanre, U.K. head of Italian olive oil brand Filippo Berio. The recent price jump shows how far the search for substitutes has spread, he added.

Filippo Berio is planning on raising the prices of its olive oils globally by about 20%, with rises in some places starting in May once existing supplies run out. "Because of the scale of the increases, olive crushers are not delivering at prices contracted at in February," said Mr. Zanre. "They are demanding the new market price in order to deliver."

For its line of pestos, of which sunflower oil is ordinarily a key ingredient, Filippo Berio is now running taste tests and shelf-life assessments to see if it can swap in rapeseed oil. Here, too, the company plans to raise prices, said Mr. Zanre.

CLAS is also exploring rapeseed oil, and soybean oil, as potential alternatives to sunflower oil, which makes up about 40% of an average pesto. Mr. Chiumiento said higher prices for all these oils mean higher prices on shelves are unavoidable.

The company is already grappling with higher energy and transport expenses, while the price of glass jars—another product usually produced in Ukraine—has jumped as much as 45%, Mr. Chiumiento said.

Since the outbreak of war in Ukraine, CLAS has increased prices on its pestos by between 30% and 50% and would need to raise prices as much as 60%-70% if it keeps product formulations the same, Mr. Chiumiento added.

As more producers substitute sunflower oil with rapeseed, the U.K.'s Food Standards Agency conducted risk assessments to test for allergies. The agency said it doesn't expect label changes to move as quickly as formulation changes, raising the risk that some consumers could unknowingly consume rapeseed. The FSA concluded the risk of allergies to rapeseed is very low.

Grocery stores in some European countries, including Belgium and Spain, have rationed sunflower oil, while British supermarket chain Iceland recently said it would include more palm oil in its products because of the sunflower oil shortage.

Iceland said it made its decision with "huge regret" after having pledged in 2018 to remove palm oil from its own-label products because of concerns about deforestation.

"The only alternative to using palm oil under the current circumstances would simply be to clear our freezers and shelves of a range of staples including frozen chips and other potato products," Iceland's Managing Director Richard Walker wrote in a blog post.

Ukraine, whose national flower is the sunflower, has been a major exporter of the oil pressed from the plant's seeds for decades. Global agricultural trading houses including Cargill Inc., Archer Daniels Midland Co. and Bunge Ltd. invested in ports, grain facilities and processing plants in the Black Sea area since at least the early 2000s.

Since the war, Bunge, ADM and Cargill have all suspended their Ukrainian sunflower refining operations.

Much of Ukraine's sunflower oil exports—like its sizable grain shipments—are sent to developing countries, [where higher food prices will have an outsized impact on poorer consumers](#).

India, for instance, is the world's largest importer of edible oils, sourcing most of its sunflower oil from Ukraine. India also gets its sunflower oil from Russia, the world's second-largest exporter, which has said it would introduce export quotas starting later this month. Russia has also said it would ban the export of sunflower and rape seeds from April until the end of August to protect domestic supply as prices surge.

India also imports palm oil from Indonesia, which has said its palm oil producers must sell 30% of what was earmarked for exports domestically in an attempt to contain cooking oil prices.

SHARE YOUR THOUGHTS

What could be the short- and long-term effects of the sunflower oil shortage? Join the conversation below.

As planting season approaches, U.S. growers spying an opportunity amid soaring prices could increase sunflower seed output by 30%-40%, according to John Sandbakken, head of the National Sunflower Association. Growers should be motivated to shift to sunflowers from other crops that command a less attractive price, he added.

Still, analysts don't expect any U.S. increase to significantly ease price pressure given the country accounts for a tiny slice of exports and typically sends its sunflower oil to countries like Mexico and Canada that don't rely on Ukrainian imports. The European Union, Argentina and Turkey are the world's third, fourth and fifth largest producers of sunflower oil respectively.

Some other sunflower oil-producing countries are refusing to sell or even quote prices in the hope that prices could rise further still, according to Mr. Zanre and other buyers. Even when they do, there will still be gaps in the market.

"There simply isn't sufficient sunflower oil in the rest of the world to cover the Ukrainian shortfall," Mr. Zanre said.

Write to Saabira Chaudhuri at saabira.chaudhuri@wsj.com

[Ukraine War Sparks Global Scramble for Cooking Oils](#)

IN i411 : Vegetable Oils | i0 : Agriculture | i41 : Food/Beverages | icnp : Consumer Goods | ifood : Food Products | i010013202 : Edible Oil Plant/Seed Farming | i01001 : Farming | i0100132 : Oilseed/Grain Farming

NS gnrsca : Natural Resource Scarcity | ccat : Corporate/Industrial News | genv : Natural Environment | magric : Soft Commodity Markets | mveoil : Vegetable Oil Markets | ncolu : Columns | cpsht : Product Shortage | gcat : Political/General News | gfod : Food/Drink | c21 : Output/Production | cexpro : Products/Services | glife : Living/Lifestyle | m14 : Commodity Markets | m141 : Agricultural Commodity Markets | mcat : Commodity/Financial Market News | medoil : Edible Oils Markets | mgroil : Grains/Edible Oils Markets | ncat : Content Types | nfact : Factiva Filters | nfce : C&E Exclusion Filter

RE ukrn : Ukraine | asiaz : Asia | eurz : Europe | india : India | russ : Russia | uk : United Kingdom | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe | indsubz : Indian Subcontinent | sasiaz : Southern Asia | ussrz : CIS Countries | weurz : Western Europe

IPD Wires

IPC ADM

PUB Dow Jones & Company, Inc.

AN Document WSJO000020220406ei460018h

WSJ Podcasts

CLM WSJ Podcast Opinion: Free Expression
HD Will Vladimir Putin Escalate the Brutality in Ukraine?
WC 5,275 words
PD 7 April 2022
ET 03:55
SN WSJ Podcasts
SC WSJPOD
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

On this episode of Free Expression, Wall Street Journal Editor at Large Gerry Baker speaks with former U.S. Secretary of Defense Robert Gates about the need for a new US global strategy following Russia's invasion of Ukraine, why Putin's war is faltering and how the west should deal with the emerging challenges from the China-Russia alliance.

[Click here to listen to the podcast](#)

TD

Speaker 1: From the opinion pages of The Wall Street Journal, this is Free Expression with Gerry Baker.

Gerry Baker: Hello, and welcome to another episode of Free Expression with me, Gerry Baker of The Wall Street Journal editorial page. We're delighted that you are listening to this podcast. If you like it, please be sure to subscribe at Apple Podcast, Spotify, or wherever else you get your podcasts. And please also be kind enough to leave us a favorable review. At The Journal's editorial page we believe passionately in free expression, and so each week on this podcast, we explore in depth and candor with the help of a leading commentator, policy maker, expert, some major issue of topical importance, historical significance, or just something that we find deeply fascinating.

This week, as war in Ukraine continues, I'm really pleased to be joined by Robert Gates, a man who has served in the United States national security field for 50 years under eight different presidents. He was Secretary of Defense most recently under both President Obama and President George W. Bush, Director of the CIA and Deputy National Security Advisor under President George H.W. Bush, and Deputy Director of the CIA under Ronald Reagan. Secretary Robert Gates, thanks for joining us.

Robert Gates: My pleasure.

Gerry Baker: Well obviously we're talking about Ukraine and Russia. A lot of people have, while expressing obvious condemnation and horror at what Vladimir Putin is doing in Ukraine, have said that we in the West bear some responsibility for this for essentially provoking him by being maybe a little bit too expansionist with regard to NATO. In your memoir that you wrote eight years ago, your memoir Duty, you wrote it in 2014, you said that the US effort to try and bring Georgia and Ukraine into NATO in 2008 at the Bucharest Summit was truly overreaching. And you said it was a case of recklessly ignoring what the Russians considered their own vital national interests. So do you think we bear some responsibility for what's unfolding right now in Ukraine?

Robert Gates: Actually, I don't think so. The book was written before Russia invaded Crimea in 2014. And I think what is clear, looking back over the last number of years, is that Vladimir Putin for a long time has been determined to ensure that Ukraine either stays in the Russian orbit or is brought back into the Russian orbit. And as time went by, Ukraine increasingly gravitated to the West. After all, one of the things that precipitated the invasion of Crimea in 2014 and the overthrow earlier of the Russian puppet in Kiev, Yanukovych, had nothing to do with NATO, but rather Ukraine's interest in joining the EU. And a deal that Yanukovych actually had cut with the EU, when Putin weighed in and said, you can't do that, I'll give you \$16 billion and you have to break off the talks with the EU.

So I think what precipitated the invasion in February was Putin's realization that Ukraine was drifting to the West steadily, year by year, economically and also in terms of its security relationships, even as not

being a member of NATO. Ukraine's security forces were increasingly being trained by Europeans and Americans. They were getting equipment from the Europeans and the US. And so I think Putin's determination to ensure that Ukraine remained within the Russian orbit really is the root cause of this invasion and the atrocities that we're seeing.

Gerry Baker: How significant a moment do you think this is? You wrote recently that the world's taking a... Going to have to end its holiday from history that we've been taking over the last 30 years. As you look at this, what do you think changes? How does it change the US national security outlook?

Robert Gates: I think that we have for some years now, well, the last four or five years at least, understood that China is a long term challenge. That the assumptions of the last 40 years that a richer China would be a freer China, that China could be brought into the global economic structures and international institutions, and be a player in that context. And we've come to understand that those assumptions were wrong.

I think that we did not have the same sense of realism with respect to Putin and Russia. And so this growing relationship between Russia and China and their hostility to the West, and really the positing of an alternative model of governance was coming together of setting authoritarians against the democracies. And I think we understood that with China, but we didn't understand its full implications in Europe, and it was both the United States and the Europeans. And so what I wrote in that piece was that actually the invasion of Ukraine was a cold shower of reality that awakened the Europeans, and to a lesser extent the US, to the reality of Russia as a hostile force. And a disruptive force disrupting peace and stability in Europe.

And so I think that as we came to a realization a few years ago and not all that long ago, that our assumptions about China were wrong, I think that the invasion of Ukraine has convinced, particularly the Europeans, that their assumptions about how they could deal with Russia were wrong. So the invasion really has been a wake up call that lets people know we're dealing with a global phenomenon of authoritarianism and aggressive authoritarianism, and that there needs to be a global strategy in terms of how to deal with it on a global basis, not just with respect to China.

Gerry Baker: Do you think this alliance between Russia and China, which of course they put into place just before Russia went into Ukraine, how do you think that's likely to unfold? I mean, Xi Jinping presumably has to be a little concerned about what he's been seeing in Ukraine, and we'll talk more about the war itself in Ukraine, but do you think they really are very much in each other's embrace now for the long term? Or do you think maybe China's looking for a way to kind of somehow get out of it?

Robert Gates: I don't think China's looking for a way to get out of it, but I believe it truly is an alliance of convenience. They both want to... They both have one common purpose, and that is to diminish American influence and power around the globe wherever and whenever they can. So they have that in common and that's really the fundamental foundation of the relationship that they have. The situation between them has flipped from the 1950s and '60s so that now China is really the big brother in the relationship. They're the ones that have the global economic power. They're the ones that have the economic and military strength in that relationship, at least building that military strength. And so Russia is in something of a subordinate position in the relationship. That said, I think the relationship is more political and to a degree economic in terms of I think China gets something like 15% of its energy from Russia.

But I think what's been interesting with respect to Ukraine is that the Chinese have been pretty cautious about what they're actually doing. Xi gives Putin all kinds of public support, but the Chinese are being very careful to avoid getting caught up in the sanctions regime against Russia. They're avoiding secondary sanctions. So Chinese banks are actually complying with the sanctions. Today there was a news piece that the Chinese are not signing any new oil contracts with Russia. They're going to comply and fulfill the contracts they already have, but they're not signing any new ones. So they're very cautious. Given all the economic pressures that Xi is facing right now, he's being very cautious not to make China's economic situation worse by being caught up in the sanctions. So it's a relationship that's very... It's very political, but the economic and military aspects of it I think are quite limited at this point. And while China will give Russia political support, you're not going to see them sending any troops to Ukraine.

Gerry Baker: How do you think what's going on in Ukraine plays into China's calculations, whatever calculations it's been making about Taiwan?

Robert Gates: Well, in some ways the same assumptions that Putin made, I think Xi has made, and I think they've been upended in several ways. The first is I think Xi has to be astonished at the speed with which the West responded with severe economic sanctions, the unanimity of the West in applying those sanctions, and not just the West, but Japan and Australia and several Asian countries as well. So the

first assumption that I think Xi has made about the weakness of the West, the paralysis of the West, the dysfunction of the West, that's been upset by the strength of the Western response to the invasion.

The second surprise I think, is after all of the tens of billions of dollars that Putin has spent on his military, let's just say it hasn't proven to have been very effective. And so Xi's got to wonder, he's done exactly the same thing and he's got to wonder, so I wonder how good my military really is if I were to take on the Taiwanese? And do I have the right kind of command and control? Do I have the right kind of equipment? Does what I have work? And how competent are my generals? How competent are my troops? So the second flawed assumption has been, how good is my army that I've spent all this money on?

And the third has been the determined resistance of the Ukrainians and the enormous costs they've been able to impose on the Russians. And Xi's got to wonder how hard it would be on the ground in terms of the resistance of the Taiwanese should the Chinese begin to act. So I think on at least those three scores, assumptions that may have been guiding Xi's approach to the Taiwan problem, he has to have second thoughts about all of those.

Gerry Baker: You mentioned the struggles that Russia has obviously been having and the strength of the Ukrainian resistance. What have we learned in the last six weeks about Russia's actual military capabilities? I think we... Second largest army in the world. You've been dealing with a threat from Russia, both in the Cold War and the post Cold War for decades, and we've always had perhaps a sense of Russian military might. What have we learned about Russia's actual military capabilities in the... Have you been surprised by how much they've clearly struggled in Ukraine?

Robert Gates: I think everybody has been surprised at how poorly they have performed, presumably from Putin on to the rest of the world. First of all, I think it's important to understand and to make clear that there's no reason to doubt the capabilities of Russia's strategic nuclear capabilities, their ballistic missile submarines, their long range bombers, their land-based missiles. So I think it would be a mistake to extrapolate from what's happened to their ground forces in Ukraine to think Russia was kind of a paper tiger. They still have extraordinary strategic nuclear capabilities. But as far as the ground troops are concerned, I mean it's just, it's been one failure after another. The failure of command and control. The failure to seize control of the airspace. The underestimation of the Ukrainians. The tactics that they've used that have exposed their convoys to such effective attacks. The challenges of their logistical system.

Russia's probably the most railroad dependent army in the world, so the Russian army basically is designed to fight in Russia. And if you get very far from their rail depots, they begin to have significant problems. Because among other things, they have a lot fewer trucks per unit than Western armies and particularly the American army. So I think one of the reasons for their failure in Northern Ukraine has been they got beyond their reach in terms of logistical support. That's much less of a problem in Eastern Ukraine and in the Southeastern part of Ukraine, where they're much closer to supply depots in Crimea and elsewhere, and close to the Russian border.

So I think little logistics failures, the amateurism of their troops. The Russian military is one of those handful in the world that doesn't have non-commissioned officers. So one of the reasons you've had all these generals being killed is because they have to be at the front. Officers basically get involved at a level that would be handled by NCOs in American and other militaries. So there are just a lot of flaws and they're not all... And I might add the equipment hasn't operated all that well too, and a lot of the tanks that they've been using are actually older model T-72s. So, I mean on count after count, the Russian military has performed poorly.

Gerry Baker: We've got to take a short break there, but when we come back, we'll have more with Robert Gates on Russia, Ukraine, and the new world order. Stay with us. Welcome back. We're talking with Robert Gates, former Secretary of Defense and Head of the CIA about Russia, Ukraine, and the new world order. We've been obviously supplying Ukraine, stepping up supplies to Ukraine of weapons. The West has obviously imposed these stringent sanctions or mostly stringent sanctions. Obviously Europe continues to import a lot of Russian gas. But let's look in particular what we've been doing with Ukraine and the weapons we send. Are we doing enough? Have we been doing enough? Is there more we could do?

Robert Gates: Well, I think that the answer is yes. I think that the supply of weapons, and I think that a lot of people would argue, I would argue the administration could have provided more weapons earlier to Ukraine, was overly cautious in that regard. But beginning last December and thereabouts, the supply of weapons has largely been small unit kinds of weapons, anticipating that the Russian army would move very quickly into Ukraine and that most of the fighting would be by small units in almost a counterinsurgency kind of attack. So the Javelin anti-tank weapons and the Stinger missiles for aircraft and the Switchblade lethal drones and so on are all kind of small unit kinds of weapons. And I think now

there needs to be a transition given the success of the Ukrainians so far. They need heavier weapons, they need more armor, they need more tanks.

Now the Czechs have, apparently according to the news, the Czechs have agreed to provide them with tanks, Soviet built tanks. The Ukrainians are basically trained on Soviet equipment. So I think the next step is for the East Europeans in particular, whose military has a lot of Soviet heavier weapons, to provide those weapons to Ukraine and then we can backfill them with American built equipment. So the Poles, for example, have just bought 250 Abrams tanks. So if the Poles have T-72s and other Soviet tanks, then to provide those to the Ukrainians. The Ukrainians have seized, according to reports, 150 to 175 Russian tanks, but they need a lot more. So that kind of thing, and more effective heavier air defense capabilities. Again, there are reports of the Slovaks providing Soviet built air defense systems, the S-300, to the Ukrainian. So there needs to be a lot more of that at this point, as the fighting moves more to the East.

Gerry Baker: But you would agree with President Biden, indeed pretty well everybody in NATO, that a no-fly zone would not be a smart idea? Would be an escalation too far?

Robert Gates: I do. I think we do need to avoid the possibility of a direct encounter with the Russians, because once that happens, it's not clear how the escalation may work. I think we cannot be deterred from doing what we need to do to help the Ukrainians on the ground and with their defenses by Putin's threats of nuclear or chemical weapons. I think the odds of him using those are very, very low for a variety of reasons. And it also has a lesson for other places, including China. If all they have to do is threaten to use nuclear weapons and we back off, then that makes the future pretty dark indeed. So I think we have to do what we can to avoid a direct conflict, but we shouldn't be deterred from providing that help because of those threats.

Gerry Baker: It's interesting you say you think it's unlikely he would use nuclear or biological chemical weapons. If the war continues to go badly for him, and in fact, I want to come on in a minute to talk about what our objectives should be, do you think the risk in general that Putin would escalate, if things really go really badly, are pretty small? Or let me put it another way. What if we were to get more directly involved? If for example, we stepped up supplies of military equipment, more offensive weapons, again, do you still think that he would be very disinclined to escalate to that level of use of weapons?

Robert Gates: I do. Biological weapons are basically uncontrollable. Once you let them loose, you have no idea where they're going to go. They're a little bit like cyber in that regard. Once you plant a bot or something, you can't limit where it goes. And the same thing is true of biological weapons. There is no apparent military value to the use of a tactical nuclear weapon or chemical weapons. Other than the Ukrainian forces in the East, there are no large military forces where you could have a strategic advantage gain, a strategic advantage by the use of a weapon of mass destruction. When it comes to nuclear weapons, the winds blow to the East. So anything they set off in Eastern Ukraine is going to end up in Russia. And so the only purpose of a weapon of mass destruction at this point is a terror weapon to break the will of the Ukrainian people.

I think what we have seen in terms of the atrocities and so on, I think breaking the will of the Ukrainian people at this point is potentially in the past. I think if they needed any more steel in their spine, and I don't think they did, the revelations of these atrocities will have further hardened the Ukrainians, including the Ukrainians that were pro-Russian when this war started or before this war started, particularly those in the East, when you see what's happened to Kharkiv and so on. Those are the reasons I think the use of a weapon of mass destruction is the odds are pretty low.

Gerry Baker: Is there anything, short of a Russian attack on a NATO country, that you think could prompt the West, prompt NATO to escalate itself? Is there anything within Ukraine, some sort of, again, you've ruled out you think he's unlikely to use WMD, but some, even worse than the kind of war crimes that we're obviously seeing? Is there anything at all that could so shock the conscience of the West and of NATO that it would say, "You know what? We've actually, we have got to get more directly involved. We've either got to dramatically step up weapons supplies, or we've actually got to take some military action to stop him doing this." Do you think there's anything he could do that would produce that response?

Robert Gates: So my view is that the path for escalation on the part of NATO is in the weapons that they supply to the Ukrainians, and you could get more and more sophisticated weapons and many more of those weapons. I think that barring Russian action against a NATO country, I don't see us getting directly militarily involved in Ukraine. I think President Biden properly worries about what we were just talking about, and that is an escalation that spins out of control and leads to a war between Russia and the West. I think there's a great reluctance to take that step, to start down that path here in the United States, even more so in Europe.

Gerry Baker: Do you have a strong sense of what the West, what the US and NATO's objective is in this war? Do we have a clear sense of what we want to achieve? Do we want the Russians... We want the Russians to be defeated obviously, but what would that look like? Do you have a good sense of what that is?

Robert Gates: Well, I think that we will largely defer to President Zelensky about what an acceptable outcome to this conflict is. I think we're in it for... I think Ukraine is in it for quite some time to come. Clearly Putin is reorienting and resetting his military to focus on the Donbas. They've started with these pro-Russian republics, the Republic of Luhansk and the Republic of Donetsk, but those two republics only represent about a third to a half of the whole Donbas. And I think Putin is now looking at seizing all of the Donbas and perhaps the Black Sea coast all the way down to Odessa. That basically turns Ukraine into a landlocked country. And I think Putin is prepared to, and it's one of the reasons the Russians have been so determined to take Mariupol.

So I think that this war is going to now be focused more on the East, on the Donbas, and on the Black Sea coast. Although I think just to keep the Ukrainians off balance and to continue imposing more harm on Ukraine, I think the Russians will continue their bombing. I think they'll continue their missile attacks on other parts of Ukraine, in effect to continue economic paralysis of Ukraine because of all the disruption caused by the attacks, but to focus more on the East and on the Black Sea coast. So I see this war unfortunately, likely to continue for some time.

Gerry Baker: You say obviously it's up to President Zelensky on the terms in which this war ends. Say Putin were to somehow be able to extract recognition by Ukraine of the annexation of Crimea, some sort of independent, semi-independent, semi-autonomous status for those regions in the Donbas that we talked about, and a kind of commitment to international neutrality by Ukraine, that would represent a messy... Admittedly a bloody and expensive, but it would represent a victory, wouldn't it, for Putin's use of force?

Robert Gates: We have to keep reminding the world what Putin's original objectives were, which was replacement of the government in Kiev, bringing all of Ukraine under Russian control, and making sure that Ukraine's drift toward the West was halted, and that it became more of the Slavic core of Russia, including Russia itself, Ukraine, and Belarus. First of all, I don't think at this point the Ukrainians are prepared to formally recognize Russian control or sovereignty over any part of Ukraine, including Crimea. And so I think what you may be looking at is the kind of this sort of ending up in the kind of conflict that we have seen in Eastern Ukraine since 2014, where there is still conflict, perhaps not at the same level, but Russian control of the various areas that we've talked about.

I think the Ukrainians are prepared to commit that they would not join NATO and that they would remain neutral. I think they are prepared to commit to limitations on certain kinds of weapons being developed by or deployed by Ukraine. But I think when it comes to Ukraine's territory, I don't think they're prepared to formally concede anything. And so what you may have is Russia in control of the Eastern part of Ukraine, but no formal treaty or no formal agreement. It wouldn't be exactly a frozen conflict because I think the fighting would continue and the Ukrainians will continue to resist. So I think that the prospects for any kind of a clean outcome to this where it basically just all stops, and particularly the Russians withdrawing in significant measure, especially from the East, I think that's a low probability.

Gerry Baker: A couple final questions, Secretary. You famously said in your memoir, I think it was in 2014, that Joe Biden had been wrong on every major foreign policy in the last 40 years. We are now obviously in the facing one of the biggest foreign policy challenges of the last, certainly of the last decade or two. Do you think he's getting this one right?

Robert Gates: I think, as I said earlier, I think that the administration was slow to be willing to provide weapons and very cautious with respect to the weapons before the war started or before early this year or late last year. I think that there have been several instances in which the administration's actions on particular kinds of sanctions have actually followed pressure from the Congress, where the Congress has been more hawkish, more willing to impose heavier penalties on Russia earlier than the administration. So the administration there in several occasions where I think the administration has only acted under considerable pressure from the Congress. All that said, I think that the way, overall the way the administration has handled this, beginning with the release of intelligence last fall to where we are today, I think has been pretty good.

Gerry Baker: Finally, Secretary Gates, how do you see things from here? You already said you think this war is... We're probably in for a prolonged war between Russia and Ukraine. You've talked a lot about the global strategic reassessment that needs to be done. People talk about a new Cold War, we're in some kind of new world order. How do you see things? Whatever the outcome of this war, how should the US now approach this, really I think significantly changed conditions? You've talked about the need for a new global strategy. What would that look like?

Robert Gates: Well, I think it's in two buckets. The first and probably most important is understanding that we face a global challenge and that we need to have strong military presence and capabilities in Europe and outside of Asia. And we need to continue the heavy emphasis on building up our forces and capabilities in Asia as well. I agree with those who say we need a larger defense budget, but I think there always has to be a second component of that. And that is, there's a huge amount of waste in the defense department. And I think a larger defense budget and the long term prospect of another arms race means there also has to be significant reform within the defense department so that the money that is being allocated is actually being focused on military capabilities and not on overhead and getting rid of useless programs and other kinds of wasted money. So the military piece of it is very, very important.

But the other piece is, as we've seen with the release of the intelligence, this is also reminiscent of the Cold War in the sense that a lot of the contest will be fought using non-military instruments of power. I think that in strategic communications, the administration has effectively used intelligence since last December to alert the world what was going on and to seize the narrative about what is happening in Ukraine and exactly what the Russians intend and then what they're doing. But we're now in a larger contest and it's basically authoritarianism versus the democracies, and we have to seize that message. We have to broaden our strategic communications capability.

We have to pay more attention to the middle powers, to India, to the Middle East, to the UAE, to Egypt, to Saudi Arabia. The Chinese are now the largest trading partner in virtually every country in Latin America, similarly in Africa. So our economic and security assistance to the middle states is really important. They've sort of straddled the Ukraine Russia Western divide to this point, and we need to get them more on our side, and that means more non-military means, but also security assistance. So there are a lot of tools in our arsenal that we've let deteriorate since the end of the Cold War. They played a big role in success in the Cold War. So we have to pay attention to both the military and the non-military, because we are in a struggle that particularly in terms of China is going to go on a long time.

The one place where the Cold War is not a meaningful comparison is that the Soviet Union was essentially a uni-dimensional power. They were a military power and they had oil and gas, and that was it. China has a huge economy, the second, possibly soon to be the first largest economy in the world. And they have enormous resources to carry out these capabilities. They have devoted huge amounts of money to these non-military instruments that I was talking about and to developing those. Belt and Road is just one example of those. And so the contest with China is much more complex and will be much more difficult, I think, than the contest with the Soviet Union.

Gerry Baker: Secretary Robert Gates, thank you very much indeed for joining us. Thank you.

Robert Gates: My pleasure.

Gerry Baker: That's it for this week's episode of Free Expression with me, Gerry Baker, from The Wall Street Journal opinion pages. Thank you very much indeed for listening and please do join us again next week when we'll have another deep exploration of the big issues that are driving our world. Thank you and goodbye.

CO applc : Apple Inc. | sptfts : Spotify Technology SA | sptfum : Spotify AB

IN iaer : Aerospace/Defense | iindstrls : Industrial Goods | i3302 : Computers/Consumer Electronics | idistr : Media Content Distribution | iint : Online Service Providers | imed : Media/Entertainment | imsoft : Streaming Services | itech : Technology

NS gvexe : Executive Branch | gcens : Censorship | gcat : Political/General News | naudvl : Audio-visual Links | ntra : Transcripts | gpri : Politics/International Relations | gspy : Espionage | ncolu : Columns | nedc : Commentaries/Opinions | nedi : Editorials | gvio : Military Action | gcns : National/Public Security | gcom : Society/Community | ghum : Human Rights/Civil Liberties | gpol : Domestic Politics | grisk : Risk News | gvbod : Government Bodies | ncat : Content Types | nfact : Factiva Filters | nfce : C&E Exclusion Filter | nfcpx : C&E Executive News Filter | niwe : IWE Filter

RE ukrn : Ukraine | russ : Russia | asiaz : Asia | crimea : Crimea | easiaz : Eastern Asia | eurz : Europe | namz : North America | uk : United Kingdom | usa : United States | ussrz : CIS Countries | apacz : Asia Pacific | bric : BRICS Countries | devgoz : Emerging Market Countries | dvpcz : Developing Economies | eeurz : Central/Eastern Europe | weurz : Western Europe

IPD SYND

IPC G/CIA

PUB Dow Jones & Company, Inc.

AN Document WSJPOD0020220407ei4600001

SE WSJ Pro
 HD **Russia, U.S. Face-Off Boosts Default Risk; Prices of derivatives tied to the creditworthiness of the Kremlin are showing a high probability of a Russian default**
 BY By Alexander Saeedy and Matt Wirz
 WC 554 words
 PD 7 April 2022
 ET 02:04
 SN WSJ Pro Bankruptcy
 SC RSTPROBK
 LA English
 CY Copyright © 2022, Dow Jones & Company, Inc.

LP

The derivatives market is flashing signals that the tit-for-tat between the U.S. Treasury and the Kremlin is increasing the likelihood of a Russian government default after Russia's Ministry of Finance announced Wednesday it will restrict the ability of some foreign investors to convert their payments into dollars.

The cost of buying a five-year derivatives contract for protection against a Russian government default, also called a credit-default swap, jumped on Wednesday to around 75% of the total value of the debt insured, according to data from ICE Data Services.

TD

That compares with around 40% around the beginning of March and 5% at the beginning of February, according to Intercontinental Exchange Inc., the main clearinghouse for European credit-default swaps.

On Monday, the U.S. [blocked Russia](#) from using U.S. banks to channel payments on its dollar-denominated bonds, the day that \$649.2 million of payments came due. The move aimed to deprive Moscow of access to offshore deposits, forcing it to deplete its cash pile.

"Russia must choose between draining remaining valuable dollar reserves or new revenue coming in, or default," a spokesperson for the U.S. Treasury said.

JPMorgan Chase & Co., the correspondent bank for two bonds Russia needed to service Monday, declined to process the \$649.2 million in payments because the U.S. Treasury did not grant approval. The Wall Street Journal reported earlier. Russia's finance ministry said it had disbursed the debt payments through its national clearinghouse.

Russia has 30 days from Monday to remit funds to investors' accounts before defaulting on the debt and triggering credit-default swaps.

After JPMorgan declined to process the payments, the Russian finance ministry said Wednesday that it had placed ruble-equivalent amounts due to foreign bondholders that Moscow deemed unfriendly in special accounts at the National Settlement Depository. Owners of the accounts will not be able to exchange their rubles into foreign currencies until Russia can access its foreign currency accounts again, according to the finance ministry statement.

Russia placed similar restrictions on owners of ruble-denominated bonds it restructured after its most recent default in 1998.

"It's hard to see Russia avoiding a sovereign default," said Timothy Ash, senior emerging markets sovereign strategist for BlueBay Asset Management LLP in London.

There is roughly \$4.5 billion of credit-default swaps tied specifically to the Russian government, and an additional \$1.5 billion located inside derivative indexes, according to JPMorgan.

Before this week's restrictions were enacted, Russia had managed to stay current on \$732 million in sovereign debt payments since mid-March due to carve-outs in U.S. sanctions allowing banks and bondholders to process and receive payments until May 25.

Russia has also been taking advantage of alternative currency fallbacks in sovereign debts it borrowed since its 2014 annexation of Crimea to allow the government to make payments in rubles. But a number of legacy debts, including the bond that matured on Monday, only allow dollar payments.

Write to Alexander Saeedy at alexander.saeedy@wsj.com and Matt Wirz at matthieu.wirz@wsj.com

CO rumf : Russia Ministry of Finance | intce : Intercontinental Exchange Inc. | cnyc : JPMorgan Chase & Co.

IN i814 : Banking | i81402 : Commercial Banking | i831 : Financial Investment Services | i83106 : Securities/Commodity Exchange Activities | ibnk : Banking/Credit | ifinal : Financial Services | iibnk : Integrated Banks | iinv : Investing/Securities

NS m15 : Derivative Securities | mswap : Swaps | gvtre : Finance/Treasury Department | ecat : Economic News | gpir : Politics/International Relations | gpol : Domestic Politics | mcat : Commodity/Financial Market News | e212 : Government Borrowing | gcat : Political/General News | e21 : Government Finance | gvbod : Government Bodies | gvexe : Executive Branch | ncat : Content Types | nfact : Factiva Filters | nfce : C&E Exclusion Filter

RE ussrz : CIS Countries | asiaz : Asia | easiaz : Eastern Asia | eurz : Europe | namz : North America | russ : Russia | usa : United States | usc : Midwest U.S. | use : Northeast U.S. | usw : Western U.S. | apacz : Asia Pacific | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe

IPD PRO

IPC G/TRE

PUB Dow Jones & Company, Inc. - Enterprise WSJ

AN Document RSTPROBK20220406ei4600001

HD The **Ukraine Crisis: Cyberattacks Increase on Critical Infrastructure**

BY By Catherine Stupp

WC 424 words

PD 6 April 2022

SN The Wall Street Journal

SC J

PG A7

LA English

CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

Cyberattacks from Russia continued to increase in late March, mostly through attempts to gather information from, and spread malware to, Ukrainian critical infrastructure, Ukraine cyber officials said.

The same group of Russia-linked hackers that targeted local government agencies in Ukraine with compromised emails also sent malicious emails to Latvian authorities, said Victor Zhora, deputy chief of Ukraine's State Service of Special Communication and Information Protection, speaking with reporters Tuesday.

TD

Recent attacks aimed to disrupt critical services, but didn't cause serious damage, Mr. Zhora added.

Between March 23 and March 29, 65 cyberattacks occurred on Ukrainian critical infrastructure, which was five times more than in the previous week, the SSSCIP said in its latest report on cyber activity during the war. State and local authorities, Ukraine's security and defense sector, financial companies, telecoms and energy were the most targeted sectors, the agency said.

Experts at Ukrainian cybersecurity companies, Microsoft Corp. and Cisco Systems Inc. are investigating the March 28 cyberattack on Ukrtelecom PJSC and haven't yet attributed the incident to a particular hacker group, said Kirill Goncharuk, the company's chief information officer.

Hackers entered the internet-service provider's network after compromising user credentials from an employee in a territory recently occupied by Russia, he said. Mr. Goncharuk declined to name the territory or provide further details about the employee, citing security reasons, and said the person is now safe. Ukrtelecom security experts detected the attack within 15 minutes after it was launched, he said.

Russian and Belarusian military hackers were behind most recent cyberattacks on Ukrainian organizations, the SSSCIP said. Mr. Zhora said Ukrainian authorities are gathering evidence on the cyberattacks that they will send to the International Criminal Court, along with proof of war crimes.

"It doesn't matter whether they're FSB or GRU originated," he said, referring to Russian intelligence authorities. "Different [threat] groups can sit on the same floor in the same buildings."

CERT-UA, Ukraine's cybersecurity emergency response unit, said Monday that it had detected a malicious-email campaign mentioning the war in Ukraine that includes a file containing malware. The emails haven't compromised organizations in Ukraine, Mr. Zhora said. Authorities attributed the emails to a Russian hacker group known as Armageddon, he added.

Emails sent to Latvian authorities appeared to come from the same hacker group; they purported to contain information about humanitarian aid but included files with malware, he said.

[License this article from Dow Jones Reprint Service](#)

NS ghack : Cybercrime/Hacking | gcvir : Malware | gcrim : Crime/Legal Action | greg : Regional Politics |
gvio : Military Action | nmajev : Major News Events | ntop : Top Wire News | gcat : Political/General
News | gcns : National/Public Security | gpri : Politics/International Relations | gpol : Domestic Politics |

grisk : Risk News | ncat : Content Types | ndj : Dow Jones Top Stories | nfact : Factiva Filters | nfcpx : C&E Executive News Filter | redit : Selection of Top Stories/Trends/Analysis

RE ukrn : Ukraine | russ : Russia | asiaz : Asia | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe | eurz : Europe | ussrz : CIS Countries

IPC MEN

PUB Dow Jones & Company, Inc.

AN Document J000000020220406ei460000u

HD The Ukraine Crisis: Everyday Russians Face Economic Squeeze

BY By Yuliya Chernova, Evan Gershkovich and Caitlin Ostroff

WC 1,105 words

PD 6 April 2022

SN The Wall Street Journal

SC J

PG A6

LA English

CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

Before Russia invaded Ukraine, Mike Bazhenov was looking at a new MacBook for work and a sport-utility vehicle for his nature-photography trips near Lake Baikal.

Instead, the 30-year-old software developer bought 10 pounds of rice and buckwheat after the computer became unavailable and the price of the car doubled. He is planning to help relatives plant potatoes this year on their farm, 500 miles from his Siberian hometown of Krasnoyarsk.

TD

"Life is on pause now," he says.

The impact of sanctions is spreading through Russia's economy, providing early indications of the pressures the country will face. Inflation has jumped, imports are growing scarce and Russians are girding for tough times. Foreign companies halted business with Russia, causing job losses and hobbling industries.

Next, economists expect inventories to be depleted and unemployment to mount.

Many Russians aren't waiting. They are scrambling to get imported goods such as Nespresso pods and contact lenses, and are stocking up on staples, even though stores generally remain well supplied. Their buying could speed up inflation and worsen the impact of the sanctions.

"It's standard Russian panic, instincts that are from Soviet times," said Natalia Zubarevich, an expert on the economy of Russia's regions at Moscow State University.

Mr. Bazhenov doesn't see it as panic. "I have a child. Let there be enough for a week, just in case, and in that time we can get to our relatives," Mr. Bazhenov said, adding his economic woes pale in comparison to what is happening in Ukraine.

High demand has pushed sugar prices up 46% this year. There is no shortage as Russia has become a sugar exporter over the past 20 years. But Russians remember when it was scarce and don't want to be caught short when they make jams from the fruit in their orchards. Sugar can also be used for homemade vodka, which was once a tradable commodity inside Russia.

Early data show how rapidly the sanctions have hit the economy. The first independent data for March showed Russian factories had their biggest drop in activity since the start of the pandemic. That is a sign that job losses are likely. The European Bank for Reconstruction and Development projected the economy will shrink by 10% this year with no rebound in sight.

The weakening economy will make it harder financially for Russia to wage war in Ukraine. The most worrisome statistic right now is inflation, which is up 8.9% in 2022, according to Russian government statistics. Consumers expect prices to rise 18% over the next year, according to a central bank survey taken in March.

Consumers' expectations of more inflation have set off a cat-and-mouse game with the government. If consumers believe goods will get more expensive, they buy more now. That boosts demand and potentially pushes prices higher still.

Government officials are trying to break that cycle, arguing that inflation will be temporary. If consumers wait out the current rush, "prices for some products might even lower," central bank chief Elvira Nabiullina said in a recent speech.

One short-term economic success: Ms. Nabiullina stabilized the ruble in recent weeks. But it came by way of a punishing interest rate increase and strict controls on converting money into foreign currencies, moves that slow the economy and hem in ordinary Russians' financial ties to the outside world.

The expected increase in unemployment will force the government to boost social spending while funding the war. According to a February survey by state-run pollster VTsIOM, only a third of Russians have savings. The average monthly salary last year in Russia was 56,545 rubles, or around \$670, according to state statistics agency Rosstat.

Since 2014, the country has tried to build what analysts call Fortress Russia to reduce its dependence on imports. That effort has largely failed. In 2020, imports accounted for 75% of sales of nonfood consumer goods in the Russian retail market, according to a study by the Higher School of Economics in Moscow. Studies show the self-sufficiency effort also drove prices higher.

Russian staples known as the borscht set -- the vegetables needed for the beloved red-magenta colored soup -- also includes imports. Since the start of the year, the price of beets, cabbage, carrots and potatoes are up by double-digit percentage changes.

Vladislav Davankov, deputy chairman of the State Duma, Russia's lower house of parliament, said on Tuesday that his New People party proposed extending holidays in May to give people time to plant orchards and improve food security for the fall. "People need to survive," he said, noting the surge in borscht set prices.

"The Russian economy right now is tied to the global economy, not just for bananas and coffee, but for things like carrots and potatoes, too," Moscow State's Ms. Zubarevich said. "We buy all of this from somewhere when there is not enough of our own."

Russian business daily Kommersant reported last week that the 2021 harvest is running out and sellers are trying to buy imported produce like young cabbages produced in Turkey, Egypt and Uzbekistan. Those cabbages haven't ripened yet, Kommersant reported.

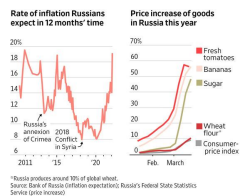
Alexey Furnosov, an auditor, took losses when the Russian stock market plunged at the start of the war and has been watching rising prices hit his pocketbook. He says he will plant the entire garden at his dacha in Vladimir, a historic city near Moscow.

Russia's major cities have fared better than the rest of the country in recent years. They have also grown more entwined with the global economy. Workers have faced job losses as Western businesses shut. That has rippled across the economy.

Tatyana Androsova, a 35-year-old freelance graphic designer in the Moscow region, estimates that her income declined by about 30% to 40% in March. Her clients, including a hair salon, were worried about their own costs and business prospects. She lost another source of income when Instagram was banned by Russia. She had been doing video and photo montages on the social-media platform for small-business customers.

An urgent concern was her access to the Adobe Inc. software that is necessary for her work. She couldn't pay for it because her Russian-issued Mastercard no longer worked outside of the country.

She got a friendly client in London to pay for an Adobe subscription, while she would help with graphic design in return. "It's a sort of barter," Ms. Androsova said.



[License this article from Dow Jones Reprint Service](#)

IN i3302021 : Applications Software | i3302 : Computers/Consumer Electronics | i330202 : Software | icomp : Computing | itech : Technology

NS nimage : Images | nmajev : Major News Events | ntop : Top Wire News | ncat : Content Types | ndj : Dow Jones Top Stories | redit : Selection of Top Stories/Trends/Analysis

RE russ : Russia | ukrn : Ukraine | asiaz : Asia | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe | eurz : Europe | ussrz : CIS Countries

IPC PIC

PUB Dow Jones & Company, Inc.

AN Document J000000020220406ei4600016

CLM Heard on the Street
HD **Sanctions Created a World That Will Persist --- Even if financial sanctions on Russia were reversed, integration with the West won't go back to normal**

BY By Jon Sindreu

WC 666 words

PD 6 April 2022

SN The Wall Street Journal

SC J

PG B14

LA English

CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

[Financial Analysis and Commentary]

Economic warfare can be almost as hard to undo as actual warfare.

TD

The European Union is set to propose fresh sanctions on Russia in response to news of atrocities against civilians in Ukraine, even as Moscow's military blunders have raised hopes of an eventual peace deal. Regardless of the outcome, history suggests that the effects of economic escalation will be long lasting.

Between 2000 and 2015, Washington and its allies ratcheted up sanctions on Iran, eventually disconnecting its banks from the Swift messaging network. The U.S. Treasury relentlessly punished those who dealt with the country, even applying "secondary sanctions" to non-American firms.

After 2015, sanctions were loosened. But Iran's banks still struggled to re-establish correspondent banking relationships and access foreign-currency clearing. With cases like BNP Paribas' \$9 billion fine still fresh, Western lenders were cautious. They turned out to be prescient: In 2018, the Trump administration revived sanctions, tripping up companies such as plane maker Airbus, which hasn't been able to make good on its 2016 agreement to sell 100 jets to IranAir.

Although the EU has been trying to maintain ties with Iran, most of its banks and corporations haven't. Even French car brands Renault and Peugeot left, despite having no American operations and having invested heavily there. Iranian manufacturers are now building versions of French cars with even more domestic components. Iran is exporting more to China, and officials are seeking ways to circumvent sanctions on banks through bilateral agreements and alternative financial networks.

With the controversial exception of the commodities trade, the U.S. has applied the Iran road map to Russia, freezing the central bank's foreign reserves and severing some banks from Swift. Sales of key technologies in areas like aerospace and semiconductors have been blocked. Multinationals like Amazon, Ford, McDonald's and Samsung have left, fearing reputational backlash and further sanctions. Moscow is trying to develop substitutes, backing Russian fast-food copycats and claiming that Sukhoi Superjet 100 regional planes could be made without Western parts from 2024.

Many such attempts at economic independence will probably flounder or involve extreme economic pain, especially given Russia's size. Yet, even under dire circumstances, an oil-exporting nation like Iran has had some moderate success in substituting imports and diversifying its economy, and Russia may not have many other options. Foreign corporations are unlikely to hurry back even if the current embargoes are eventually lifted.

Sanctions have historically failed to spark regime change. In his book "The Economic Weapon: The Rise of Sanctions as a Tool of Modern War," published in January, Cornell University historian Nicholas Mulder recounts how after World War I the U.S. was emboldened by the success of

economic warfare against smaller countries like the Balkan states and fascist Spain. This then backfired disastrously with Japan and Germany.

The West's decision to weaponize its monetary system against Russia as a first resort, rather than initially accept the pain of losing its fuel, comes at a cost. Besides giving Moscow a lifeline, the sanctions strategy has alerted countries like China to the risks involved in exchanging goods for dollar and euro reserves.

The current situation probably doesn't spell the end of the U.S. dollar's hegemony, because there is no alternative system to replace it. But it does motivate militarization, the stockpiling of commodities and gearing of supply chains toward geopolitical allies. As Prof. Mulder points out, the end of the gold standard in the 1930s "didn't kill the reserve standard of sterling and the dollar, but it did fragment trade."

No matter how the war in Ukraine ends, investors can't expect the global economy to remain as tightly integrated as it once was.



[License this article from Dow Jones Reprint Service](#)

RF page,5043

NS gdip : International Relations | cinesp : Industrial/Corporate Espionage | c13 : Regulation/Government Policy | gesanc : International Sanctions | gtrade : Trade Barriers/Restrictions | mcat : Commodity/Financial Market News | ncolu : Columns | nhrd : Heard on the Street | nimage : Images | npda : DJ Exclusive Analysis - All | c12 : Corporate Crime/Legal Action | ccat : Corporate/Industrial News | e51 : Trade/External Payments | ecac : Economic News | gcat : Political/General News | gpir : Politics/International Relations | ncat : Content Types | nfact : Factiva Filters | nfce : C&E Exclusion Filter | nfcpx : C&E Executive News Filter | nfcpi : C&E Industry News Filter

RE russ : Russia | iran : Iran | asiaz : Asia | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcos : Developing Economies | eeurz : Central/Eastern Europe | eurz : Europe | gulfstz : Persian Gulf Region | meastz : Middle East | ussrz : CIS Countries | wasiaz : Western Asia

IPC PIC

PUB Dow Jones & Company, Inc.

AN Document J000000020220406ei460000f

SE Daily
 HD Intel Joins the Big Tech Exodus From **Russia**. What to Know.
 BY By Lina Saigol
 WC 207 words
 PD 6 April 2022
 ET 15:25
 SN Barron's Online
 SC BON
 LA English
 CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.
 LP

Intel Corp joined the exodus of western tech companies cutting ties with Russia, saying that it had suspended business operations in the country following Russia's invasion of Ukraine.

The U.S. chip maker, said on Tuesday that it has implemented business continuity measures to "minimize disruption" to its global operations. The move followed Intel's decision in March to suspend all shipments to customers in Russia and Belarus.

TD

"Intel (ticker: INTC) continues to join the global community in condemning Russia's war against Ukraine and calling for a swift return to peace," the company said in a [statement](#). Intel has 1,200 employees in Russia.

In the past few weeks, several tech companies, including Apple, (AAPL) Microsoft, (MSFT) Oracle (ORCL) and IBM (IBM) have announced that they are pulling out or suspending all new sales of their products and services in Russia.

Intel's announcement comes as U.S. and its European allies are set to announce further sanctions against Moscow after allegations from Ukraine of potential war crimes against civilians.

Write to Lina Saigol at lina.saigol@dowjones.com

[Intel Joins the Big Tech Exodus From Russia. What to Know.](#)

CO intl : Intel Corporation
 IN i34531 : Semiconductors | icnp : Consumer Goods | ifurn : Furniture | iindele : Industrial Electronics | iindstrls : Industrial Goods | itech : Technology
 NS ccat : Corporate/Industrial News
 RE russ : Russia | ussrz : CIS Countries | ukrn : Ukraine | asiaz : Asia | easiaz : Eastern Asia | eurz : Europe | uk : United Kingdom | apacz : Asia Pacific | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe | weurz : Western Europe
 IPD Technology
 IPC I/ELQ
 PUB Dow Jones & Company, Inc.
 AN Document BON0000020220406ei4600105

THE WALL STREET JOURNAL.

CLM World News
SE World
HD **U.S., EU to Impose More Sanctions on [Russia](#) After War-Crimes Reports; Proposed EU measures include ban on imports of Russian coal while U.S. plans ban on all new investment in [Russia](#)**
BY By Laurence Norman in Berlin and Ian Talley and Andrew Restuccia in Washington
WC 1,242 words
PD 6 April 2022
ET 06:23
SN The Wall Street Journal Online
SC WSJO
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.

LP

The U.S. and the EU are set to unveil new sanctions on Russia this week, after allegations from Ukraine of [potential war crimes](#) against civilians by Russian forces [galvanized a push](#) for tougher measures against the Kremlin.

On Tuesday, the European Commission, the EU's executive arm, proposed [broad new sanctions](#) on Russia, European officials said, including a ban on imports of Russian coal, slashing the access of Russian road and shipping goods carriers into the bloc, targeting oligarchs and their families and blocking some machinery exports.

TD

The measures will need backing from the bloc's 27 member states. Meanwhile, the U.S. plans Wednesday to announce a new package of sanctions that would include a ban on all new investment in Russia, according to people familiar with the matter.

The sanctions will also include additional measures hitting Russian financial institutions and state-owned enterprises, and Russian government officials and their families, the people said.

The proposed ban on Russian coal, confirmed by European Commission President Ursula von der Leyen, would be the first time the EU has agreed to block imports of one of Russia's main energy supplies. [EU capitals remain divided](#) on whether to impose a ban on Russian oil and gas imports, although the momentum behind introducing a phased-in embargo of Russian oil supplies is gathering.

The EU proposals also include a complete ban on transactions with several additional Russian banks, three of which have already been removed from the SWIFT financial transactions network, including VTB, Russia's second biggest lender, the officials said.

share your thoughts

Should the EU impose a ban on Russian oil and gas imports? Join the conversation below.

In Washington, the Biden administration is considering tightening sanctions against Russian financial institutions already subject to measures restricting some of their foreign transactions, the people said. Banks the U.S. is expected to impose sanctions on this week include Sberbank, Russia's largest, and Alfa Bank, one of Russia's top private lenders. The U.S. is also expected to sanction [two daughters](#) of Russian President Vladimir Putin. The U.S. has already imposed so-called blocking sanctions against VTB and its subsidiaries, which prohibit transactions by U.S. banks and firms and freeze any assets they have within U.S. jurisdiction.

Last week, diplomats indicated many EU member states wanted to focus on consolidating and reinforcing the sanctions measures they had already taken. But [the sentiment in capitals shifted rapidly](#) over the weekend. On Monday, French President Emmanuel Macron joined public calls for a ban on Russian coal and oil imports for the first time.

Officials are confident most measures can win approval by avoiding the more controversial oil and gas restrictions. German officials have been among those questioning the efficiency of keeping Russian ships out of the bloc—a measure that has already been taken by the U.K.

The proposed ban on Russian road freight carriers would also affect Belarusian carriers, as well as Russian vessels and Russian-operated vessels. There will be exemptions for humanitarian-linked trade such as food and medicine and for energy.

The EU will also place a quota cap on the import of potash, officials said. The material is used for fertilizer and is widely purchased from Belarus. The sanctions package is also planned to ban a range of other Russian and Belarus imports, including wood, cement, seafood and liquor, worth €5.5 billion, equivalent to about \$6.5 billion, according to the European Commission.

The Commission said it would also blacklist dozens of additional Russian oligarchs, politicians and senior officials and will sanction some prominent family members. The current list includes two daughters of Mr. Putin, according to officials. The bloc has already sanctioned the son-in-law of Russian Foreign Minister Sergei Lavrov.

Mr. Putin doesn't speak publicly about his family. He has two daughters from a former wife, according to the Kremlin. It isn't known if Mr. Putin has other children, and it couldn't be learned if the daughters being targeted in the new EU sanctions were those he has publicly acknowledged. The couple said in 2013 their marriage was over.

The bloc will also stop the export of some high-tech machinery to Russia, including quantum computers and advanced semiconductors as well as sensitive electrical and transport equipment worth around €10 billion in annual exports, Ms. von der Leyen said.

"Russia is waging a cruel and ruthless war, not only against Ukraine's brave troops, but also against its civilian population," she said. "It is important to sustain utmost pressure on Putin and the Russian government at this critical point."

But Lithuanian Foreign Minister Gabrielius Landsbergis on Tuesday evening criticized the EU's proposed sanctions package, calling it a "feeble response" which is "an invitation for more atrocities."

"Coal, four banks...a ban on ports and borders (with exceptions) is not really an adequate sanctions package to the massacres that are being uncovered," he said on Twitter.

If the latest measures are adopted, attention will likely swiftly return to how to reduce oil imports from Russia. Germany has said it could end imports by the end of the year, but there is pressure to move more quickly. For now, the chances of agreeing to a stop to Russian gas imports appear very slim, diplomats said.

Ms. von der Leyen said among the ideas that have been proposed by member states is a tax or tariff on Russian oil imports to increase their price and reduce demand. Also floated was the idea of paying Russia only into special escrow accounts, from which Russia wouldn't be able to easily use the revenue, she said.

On Tuesday, U.K. Foreign Secretary Liz Truss said Britain would push North Atlantic Treaty Organization and Group of Seven partners to agree on a timetable for eliminating Russian energy imports.

That kind of solution could offer the likes of Germany, Hungary and Slovakia time to reduce their imports of Russian gas and oil but still demonstrate to the Kremlin that its energy revenue from Europe will shrink sharply in the months ahead. Germany has already said it could stop buying Russian oil by the end of the year although it has said it would need some Russian gas imports through 2024.

Also Tuesday, Spain and Italy became the latest EU countries to kick out Russian officials in a bid, European officials say, to disrupt Russian intelligence and spying networks in the bloc. The EU also said it was asking some Russian officials to leave.

Italy said it would kick out 30 Russian officials and Spain, around 25. The European Union also said it was ordering 19 staff out of Russia's Brussels mission, where it has around 60 diplomats.

Since Russia's invasion of Ukraine, more than 200 Russian diplomats have now been ordered to leave.

Max Colchester, Alex Leary and Vivian Salama contributed to this article.

Write to Laurence Norman at laurence.norman@wsj.com, Ian Talley at ian.talley@wsj.com and Andrew Restuccia at andrew.restuccia@wsj.com

[U.S., EU to Impose More Sanctions on Russia After War-Crimes Reports](#)

CO eucmm : European Commission | euruno : European Union

IN itsp : Transportation/Logistics

NS gtrade : Trade Barriers/Restrictions | gesanc : International Sanctions | gcat : Political/General News | gcrim : Crime/Legal Action | gvexe : Executive Branch | e51 : Trade/External Payments | ecat : Economic News | gdip : International Relations | gpir : Politics/International Relations | gvio : Military Action | gwar : War Crimes | ncolu : Columns | gcns : National/Public Security | gpol : Domestic Politics | grisk : Risk News | gvbod : Government Bodies | ncat : Content Types

RE russ : Russia | asiaz : Asia | easiaz : Eastern Asia | eurz : Europe | namz : North America | uk : United Kingdom | ukrn : Ukraine | usa : United States | ussrz : CIS Countries | apacz : Asia Pacific | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eurz : Central/Eastern Europe | weurz : Western Europe

IPD WSJ News Exclusive |

IPC ALFA.UR

PUB Dow Jones & Company, Inc.

AN Document WSJO000020220405ei4500105

CLM World News
SE World
HD **Ukraine's Zelensky Calls for Removing Russia From U.N. Security Council After Alleged War Crimes; Ukrainian president says newly discovered atrocities could be worse than those in Bucha**
BY By William Mauldin and Yuliya Chernova
WC 1,748 words
PD 6 April 2022
ET 06:38
SN The Wall Street Journal Online
SC WSJO
LA English
CY Copyright 2022 Dow Jones & Company, Inc. All Rights Reserved.
LP

Ukrainian President Volodymyr Zelensky told the United Nations Security Council that Russia should be removed from the council or it should otherwise be dissolved, after warning that newly uncovered atrocities following the withdrawal of [Russian forces near Kyiv](#) could be worse than those in the city of Bucha.

"It is difficult to find a war crime that the occupiers have not committed," Mr. Zelensky said during a virtual appearance at the council's chamber Tuesday. He has previously said more than 300 civilians had been tortured or killed in Bucha.

TD

Mr. Zelensky said civilians were "crushed by tanks in civilian cars in the middle of the road—for fun" as well as "raped and killed in front of their own children."

Mr. Zelensky's speech came as the U.S. and European Union prepared to impose [broad new packages of sanctions](#) on Moscow, with Washington planning a ban on all new investment in Russia and the European Commission proposing a ban on imports of Russian coal and sanctions on [two daughters](#) of Russian President Vladimir Putin. The Biden administration is preparing to impose a second round of sanctions on Russia this week, including on two of its biggest banks and on Mr. Putin's daughters, U.S. officials said.

The U.S. is expected to announce as soon as Wednesday sanctions on Sberbank, Russia's largest, and Alfa Bank, one of Russia's top private lenders, the officials said.

The Security Council hasn't taken action because Moscow, as a permanent member, wields a veto that it has used to block binding resolutions on Ukraine. Mr. Zelensky told the council that Russia should be stripped of its seat to remove "a source of war from blocking decisions about its own aggression."

"The U.N. system must be reformed immediately so that the right of veto is not the right of death," he said. "There can be no more exceptions, privileges."

Western diplomats and legal experts don't see an easy way to remove Russia from the Security Council, since the council's permanent membership is set in the U.N. Charter.

Moscow has denied any responsibility for atrocities in territories its army [recently occupied in Ukraine](#), calling the video footage from Bucha staged. Russia's ambassador to the U.N., Vasily Nebenzya, dismissed reports of slain civilians in Bucha as a provocation from Ukraine.

"We place on your conscience the ungrounded accusations against the Russian military, which are not confirmed by any eyewitnesses," Mr. Nebenzya said in remarks directed toward Mr. Zelensky after his virtual appearance.

U.N. Secretary-General António Guterres said at the meeting that [the war in Ukraine](#) is one of the greatest challenges ever to the international order. Rosemary DiCarlo, undersecretary-general for political affairs, publicly acknowledged the reports of slain civilians in Russian-occupied areas of Ukraine, as well as the arbitrary detention and possible forced disappearance of Ukrainian civilians who resisted [Russia's occupation](#).

A spokesman for Mr. Guterres said he has "repeatedly pointed to the ways in which disunity in the Council prevents it from acting effectively" but that "any changes to the Security Council's composition are to be handled by the member states."

A move to change the U.N. Charter or expel Russia completely from the U.N. requires a vote in the broader General Assembly as well as support in the Security Council, where Russia has a veto.

White House press secretary Jen Psaki said Tuesday the U.S. shares Mr. Zelensky's frustration that Russia is a permanent member of the Security Council, but she added, "We don't see that changing."

The scale of the killings prompted Western leaders to vow a wide-ranging investigation into [potential war crimes](#) and impose further penalties on Moscow as international outrage grows.

The U.S. and EU have said they would assist Ukrainian authorities in investigations, and Mr. Zelensky accused Russia of attempting to cover up evidence of its actions in other parts of Ukraine.

"Probably, now the occupiers will try to hide the traces of their crimes," Mr. Zelensky said. "They didn't do this in Bucha when they retreated. But in another area it is possible."

"It is now 2022. And we have much more tools than those who prosecuted the Nazis after World War II," he said.

Ukrainian authorities are now bracing for the discovery of more deaths in other cities and towns around the capital, especially Borodyanka. Officials have said the town, about 30 miles north of Kyiv, may have been the hardest hit by Russian forces of those near the capital, a fear Mr. Zelensky echoed.

"Now, there is information that in Borodyanka and some other liberated Ukrainian towns, the number of casualties may be even higher," he said.

Russia had set up defensive positions throughout the city, which appears to have acted as a staging post on a main Russian supply route from Belarus, 50 miles to the north, to the edge of Kyiv, where [Russian forces became bogged down](#).

The Russians based themselves in public buildings, including the post office and the school, where they had dug trenches and put up signs warning: "Stop or we'll shoot." Throughout the town, they had marked buildings and vehicles they had commandeered with a large "V."

Ukrainian forces took the village of Makariv to the south at the end of March and hammered Russian positions all around. Russia set up artillery in a field near the village of Andriyivka and parked armored cars in the yards of houses.

"They were using us as cover," said Lidiya Vorobei, a resident who says she spent the past month mostly in the basement as Ukrainian artillery sought to blast the Russians out. Many of the houses in the village are badly damaged.

As the Ukrainians advanced, the Russians left early on Friday.

Soldiers and rescue workers continue to discover bodies in Bucha, and the city council updated the death toll to 320 on Tuesday.

"The number of victims has increased, literally every hour," said Viktoriya Liakhovets, spokeswoman for the Bucha city council. "As bomb technicians demine homes, they're finding more corpses in apartments."



Volunteers provide soup for Bucha residents on Sunday, after the withdrawal of Russian forces. PHOTO: Christopher Occhicone for The Wall Street Journal



A street in Bucha on Sunday. PHOTO: Christopher Occhicone for The Wall Street Journal

Ms. Liakhovets said an effort was under way at the local morgue to identify the deceased, despite difficulties caused by the length of time some bodies were exposed to the elements.

"I would like to emphasize that we are interested in the most complete, transparent investigation, the results of which will be known and explained to the entire international community," Mr. Zelensky said in his late-night address, released in the early hours of Tuesday.

Russian Foreign Minister Sergei Lavrov said that the media frenzy around what he called fake accounts at Bucha was designed specifically to sabotage the Russian-Ukrainian cease-fire talks.

"We tend to think that the reason for it lies in the desire to find a reason to disrupt the ongoing talks," Mr. Lavrov said, speaking in a video address posted by the Russian media service TASS.

Images taken by commercial satellite company Maxar on March 18, however, appear to show bodies lying on a road in Bucha while the city was occupied by Russian forces.

Secretary of State Antony Blinken, arriving in Brussels late Tuesday for meetings with his North Atlantic Treaty Organization counterparts, said the reports of atrocities in Bucha "are more than credible; the evidence is there for the world to see."

Mr. Zelensky, speaking to Ukrainian journalists on Tuesday morning, said he would have to set aside his personal feelings and negotiate with Russia to end the fighting, even if he and Mr. Putin might not meet in person.

Russian forces, meanwhile, continued their [withdrawal from the Kyiv area](#) and other parts of northern Ukraine as they reinforce their positions toward the east and south of the country.

"Low-level fighting is likely to continue in some parts of the newly recaptured regions, but diminish significantly over this week as the remainder of the Russian forces withdraw," the U.K. Defense Ministry said in its latest intelligence assessment Tuesday. "Many Russian units withdrawing from northern Ukraine are likely to require significant re-equipping and refurbishment before being available to redeploy for operations in eastern Ukraine."

Meanwhile, the Ukrainian Defense Ministry said Russian forces were regrouping in [the Donbas area](#), where they aim to establish control over the Donetsk and Luhansk regions. Portions of these areas broke away from Kyiv's control in 2014 and are led by Russia-backed separatists. Mr. Putin recognized their independence before ordering the full [invasion of Ukraine](#) on Feb. 24.

The bombardment of [the eastern city of Kharkiv](#) is also continuing.

"Russian invaders continue to block Kharkiv, with constant artillery shelling destroying residential neighborhoods and city infrastructure," the Defense Ministry said.



A grave containing several bodies next to an apartment building in Bucha on Monday.
PHOTO: Christopher Occhicone for The Wall Street Journal

Momentum is building for a broad-based investigation into war crimes allegations. French prosecutors Tuesday said they were investigating whether attacks occurred on civilians in Hostomel, a town adjacent to Bucha near the capital of Kyiv. The prosecutors said they were also probing possible war crimes in the northern city of Chernihiv and the [southern port of Mariupol](#), which has been besieged by Russian troops.

The International Criminal Court, which hears war-crimes cases at its headquarters in The Hague, said in early March that it would begin an investigation into allegations of war crimes in Ukraine. Prosecutor Karim Khan traveled to western Ukraine and Poland and held a virtual meeting with Mr. Zelensky.

Ukraine previously agreed to the court's jurisdiction, but any prosecution will likely be complicated by the fact that Russia, like the U.S. and China, isn't a party to the court.

James Hookway, James Marson in Borodyanka, Ukraine, and Brett Forrest in Bucha, Ukraine, contributed to this article.

Write to William Mauldin at william.mauldin@wsj.com and Yuliya Chernova at yuliya.chernova@wsj.com

[Ukraine's Zelensky Calls for Removing Russia From U.N. Security Council After Alleged War Crimes](#)

CO unscou : United Nations Security Council | utdnat : United Nations

NS gvexe : Executive Branch | gsec : State Security Measures/Policies | gcat : Political/General News | gcrim : Crime/Legal Action | gpir : Politics/International Relations | gpol : Domestic Politics | gtortu : Torture | gvio : Military Action | gwar : War Crimes | ncolu : Columns | nimage : Images | gcns : National/Public Security | gcom : Society/Community | ghum : Human Rights/Civil Liberties | grisk : Risk News | gvbod : Government Bodies | ncat : Content Types

RE ukrn : Ukraine | russ : Russia | asiaz : Asia | easiaz : Eastern Asia | eurz : Europe | namz : North America | uk : United Kingdom | usa : United States | ussrz : CIS Countries | apacz : Asia Pacific | bric : BRICS Countries | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | eeurz : Central/Eastern Europe | weurz : Western Europe

IPD Wires

IPC ALFA.UR

PUB Dow Jones & Company, Inc.

AN Document WSJO000020220405ei450018h

Search Summary

Text	hd=ukraine or hd=russia
Date	In the last month
Source	The Wall Street Journal - All sources Or Barron's - All sources
Author	All Authors
Company	All Companies
Subject	All Subjects

Industry	All Industries
Region	All Regions
Language	English
Results Found	701
Timestamp	29 April 2022 11:21