

THE DOWNING OF MALAYSIA AIRLINES MH 17 OBSERVED FROM AUSTRALIA

by George Venturini *

On 17 July 2014 Malaysia Airlines Boeing 777-2H6ER, operating as flight MH17, departed Amsterdam Schiphol in the Netherlands at 10.31 a.m. on a scheduled passenger flight to Kuala Lumpur International Airport in Malaysia. On the way it crashed in eastern Ukraine. Data from the flight data recorder and the digital cockpit voice recorder both stopped at 12.20:03. All 298 passengers and crew were killed.

According to the passenger manifest released by Malaysia Airlines there were on board: 192 Dutch, 29 Malaysians, 27 Australians, 12 Indonesians, 10 British, 4 Belgians, 4 Germans, 3 Filipinos, 1 Canadian and 1 New Zealander. All 15 crew members were from Malaysia. The nationalities indicated are based on the passports which were used for check-in. Some of the passengers had multiple nationalities, causing differences in nationality numbers published in the media. Eleven passengers were aliens with permanent residence in Australia.

It was an unspeakable tragedy and a criminal act which sent shock waves around the world.

Nobody yet knows who was responsible for this crime, despite 'western' media and governments pointing the finger at either the rebel forces in eastern Ukraine - whom the 'West' accuses Russia of arming - or the Russian military itself.

Amid claims and counter claims by all sides, each force denies responsibility and there is no obvious motive for any force deliberately to carry out such an atrocity.

The United Nations Security Council has called for "a full, thorough and independent international investigation." But, whether this has any hope of leading to clarity on the incident remains to be seen.

Yet many 'western' governments, with Australian Prime Minister Tony Abbott joining in, are exploiting this tragedy and using it to escalate rhetoric and tensions with Russia, raising the prospect of the Ukrainian war expanding.

The hypocrisy of the United States government is especially galling. The U.S. also has its own history of shooting down passenger planes. The U.S. air force infamously shot down Iran Air Flight 655 in Iranian airspace in 1988. All 290 civilians on board were killed, including 66 children. Despite reaching an agreement to pay compensation to families of the victims, the U.S. has never officially accepted responsibility or apologised.

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The fog over and around Australia

In 1788 the English invaded a piece of Earth, later to be called Australia. That was a “defining moment in the history of this continent” according to the Prime Minister - 30 August 2014. In the 19eighties Tony Abbott was in Oxford as a Rhodes Scholar.

A distracted, fun-seeking short-time tourist would be deceived by the sleepy backwater of the place, and the sense of *bonhomie* of its new inhabitants. S/he would not be aware of their propensity for violence - at home and abroad. At home ? Just ask ‘domestic violence’ women, or sexually abused children, or prison inmates, or brutalised asylum seekers, or the homeless, or the old people dumped in squalid accommodations, all the needy *et cetera* - the signs of an un-society. Or find time to attend gladiatorial encounters of football teams, that kind of ‘sport’ being the religious succour of a pagan populace. Abroad ? Check the historical record: apart from an un-acknowledged - and never-mentioned - civil war on the original inhabitants, 1791 to 1928, there is the record of expeditions to ‘wars for the asking’, from New Zealand 1845,1860-61 through Sudan 1885; South Africa 1899-1902; China 1900-01; on several fronts during the first world war, 1914-18; Russia 1919-21; on several fronts during the second world war, 1939-47; Malaya 1948-60; Korea 1950-53; Indonesian ‘confrontation’ 1962-66; Malaya-Malaysia 1964-66; Vietnam 1962-75; Thailand 1965-68; Somalia 1992-94; East Timor 1999-2203; Afghanistan 2001, to Iraq in 2003. The loss of Australian lives is close to 103,000. And one is projecting another ‘khaki-election’ in 2016.

Having begun as a province of Britain, the place went on to become an appendage of the United States. Since 1942, when Britain abandoned Australia before the threat of a Japanese invasion, and with the exception of the short and tormented Whitlam Government, all

Australian governments have continued to pay tribute to the American administrations. From Korea to Iraq and down to MH17 they know that the Australian blank cheque they hold can always be cashed in. Meanwhile, the place remains a quarry for rapacious multinationals, increasingly the victim of a corporatised world of widening inequality.

It is a place separated from the rest of the world by a thick curtain of fog. Behind it resides a vegetative populace - composed mainly of 'abandoned Britons' who are mal-governed with imitative English institutions, given to old-fashioned rituals and left behind when the English officially went 'home'. One of such rituals is a 'parliamentary democracy', which actually is no higher than a spectator sport, abysmally played by parochial amateurs, mainly for lack of imagination.

The majority of politically apathetic Australians enjoy such a system, because the half-educated do not have to worry about keeping themselves informed. If there is any intellectuality it should better be left at home, lest it be confronted with irascible ignorance and characteristic impatience with complexity.

It is a frightened place, forever afraid, where a crude, self-interested and ignorant populace defines its 'enemies' by their 'colour': the Red Menace first, then the Yellow Peril which is always coming; the Russians are anew under the beds; and, now, the Muslims are 'attempting to pervert'. Such are the terms of a un-society of xenophobes, racists and all sorts of hate-bags, telestupefied by Murdochian media. A colonial-minded and derivative business 'culture' sees 'Asia', to which some insists that Australia belongs, with its millions of 'faceless hordes', as no more than an economic machine, a grand teat which is to provide continuous well-being for Australians - particularly its upper levels of mindless triumphalists, racketeers of the mediocre all.

The initial risk, now realising, that the place could end up an economic colonial quarry disturbs occasionally - but passes on.

As Donald R. Horne would write: "There is no longer in Australia a generally accepted public sense of a future." But there remains a repressed bad conscience. Here is Horne again: "It is as if a whole generation has become exhausted by events, a provincial generation produced in a period when mindlessness was a virtue, the self-interest of pressure groups was paramount, cleverness had to be disguised, quick action was never necessary and what happened overseas was irrelevant."

Australians speak of Asia as if they were still living in Europe.

Another, thick, permanent fog keeps them away from ‘the world, over there’.

Plentiful supporting views were provided by visitors: D. H. Lawrence, *Kangaroo* (1923), J.M.D. Pringle, *Australian accent* (1958) and confirmed by a well known and respected Australian author, D.R. Horne, *The lucky country* (1964), an indictment of an unimaginative place, its cosy provincialism, its cultural cringe and its subliminal ‘White Australia’ policy. He wrote: “Many of the nation’s affairs are conducted by racketeers of the mediocre who have risen to authority in a non-competitive community where they are protected in their adaptation of other people’s ideas.”

Such words could never be more apt to describe the present political leadership, whose ‘captain’ expresses its ‘policies’ through three-word slogans: ‘Stop the boats’ - capturing asylum seekers, quickly to be sent to concentration camps; ‘Bring them home’ - with reference to the victims dispersed on eastern Ukraine by the downing of MH 17.

Indeed, as Horne wrote, “Much energy is wasted in pretending to be stupid. To appear ordinary, just like everybody else, is sometimes a necessary condition for success in Australia.”

Fifty years after such words were written they still describe, even more poignantly true today, “a lucky country run mainly by second-rate people who share its luck.”

Continuously disregarded is the work of J. Pilger, who just recently observed that “Australia is a land of excuses [for inaction], not the land of the ‘fair go for all’.”

An apathetic and uninformed mass of gamblers, electing clueless second-rate politicians to govern, is sending the place to the dogs.

As recently as 15 August 2014 a 24 year old university student abandoned himself to the following considerations: “Ignorance is slowly killing our country. Ignorance has landed us with the government and prime minister dubbed ‘Australia’s George Bush’.”

He lamented that “most people [his] age in [his] life have no idea about politics. They find it boring. They find it petty and dull. They would rather discuss sport, or *Facebook* - stuff more pertinent to their own lives.”

What seems astounding to a 'visitor' of 48 years - and still an Outsider - is the apparent 'disconnect' of the young people. To the extent that they are 'connected' they are so by the use of their cell phones, iPods and whatever new electronic gadgetry arrives from the rarefied air of Southern California or emerges from the tech-industry. Such 'connection' is limited to what their 'friends', family (?) do with 'music' and games. Some seem furiously texting away while others in coffee shops, internet cafes, public transport, *even* bookstores are on their lap top computers reading, writing, perhaps for college course, possibly their employment - or looking for one. Hard to tell !

But what they really know about a farce of democratic practice, of impending threats (climate change and the corresponding rising of sea levels), or of the excruciating drama of asylum seekers (which has seen Australia condemned as recently as August this year by the United Nations Human Rights Committee), or of the degrading condition of the Indigenous People, or of the systematic violation of the civil liberties by the very government charged with protecting them, or of education reform - which is permanently kept on the boil and now more than ever seems to be 're-oriented' towards 'religious education' (an oxymoron if ever there was one !), or of recent events such as the downing of MH 17 ?

As the grieving student concluded: "We are an ignorant bunch, aside from a minority (and it is a minority) of politically active, interested people. You know, the type who see voting as a privilege, not a draining chore which takes them away from the beach or beer."

And at the cretinous cry of "Aussie, Aussie, Aussie, Oi, Oi, Oi !", and half-imbued in the rhetoric of the 'fair go', a seemingly fortified ignorant populace's lack of awareness, indifferent to the inability to recognise the sinister nature of its government, continues to support and defend that government's actions and policies - and to dismiss any criticism as un-Australian.

That applies to the case of the downing of MH 17.

In such ignorance the populace is protected by the other even thicker fog which permanently covers the place.

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An avalanche of inconvenient questions

1. Why - as Malaysia Airlines confirmed - was the pilot of MH17 instructed to fly at a lower altitude by the Kiev traffic control tower upon its entry into Ukraine airspace ?
2. Why was MH17 diverted from the usual south-easterly route over the Sea of Azov to a path over the Donetsk war zone, by order (*oblast*) issued on 17 July ?
3. Why was this done, even though - according to Malaysia Airlines - the usual flight route across the Sea of Azov had early been declared safe by the International Civil Aviation Organisation, and the International Air Transportation Association had stated that the airspace that the aircraft was traversing was not subject to restrictions ?
4. Were there Ukrainian military jets present in the area of the new flight path, as confirmed by the Spanish traffic controller employed at the Borispol airport in Kiev who was on duty when the plane was shot down ?
5. Why were the audio records of the MH17 flight seized by the Kiev government ?
6. Has Russia's offered to make available public radar and satellite imagery as evidence ? Its images suggest the following:
 - a) Kiev's government deployed anti-air missile systems in Donetsk in and around the area where flight MH17 crashed.
 - b) A Ukrainian warplane SU-25 was trailing flight MH17.
 - c) The evidentiary means were attached to a report which pointed to the possibility of an air-to-air attack on MH17.
 - d) The same report also pointed to inconsistencies pertaining to the reports of the Ukrainian air traffic control.
7. Why has the United States not produced, despite its global spying apparatus, any radar or satellite imagery to support its claim that Russia and the eastern Ukrainian armed-opposition are responsible for the downing of MH17 ?

8. Is it correct that the Russian Defence Ministry pointed out that at the moment of destruction of MH17 an American satellite was flying over the area, and has invited the American government to make available the photos and data captured by the satellite ?

9. Is it correct that an American intelligence source claimed that the “U.S. intelligence agencies do have detailed satellite images of the likely missile battery that launched the fateful missile, but the battery appears to have been under the control of Ukrainian government troops dressed in what look like Ukrainian uniforms.” ?

10. Is it true that Russia called for an expert independent investigation, and that President Putin has repeatedly stressed that the investigation of MH17 requires “a fully representative group of experts to be working at the site under the guidance of the International Civil Aviation Organisation (I.C.A.O.)” ?

11. Has the United States claimed, without evidence, but “with confidence” that Russia was involved ? In particular: on 20 July, the U.S. Secretary of State, John Kerry confirmed that pro-Russian separatists were involved in the downing of the Malaysian airliner and said that it was “pretty clear” that Russia was involved. He clearly said: “It’s pretty clear that this is a system that was transferred from Russia into the hands of separatists. We know with confidence, with confidence, that the Ukrainians did not have such a system anywhere near the vicinity at that point and time, so it obviously points a very clear finger at the separatists.” ?

12. And is not Secretary of State John Kerry’s statement above regarding Russian involvement in contradiction with the Russian satellite photos and numerous eye witnesses on the ground ?

13. What should one make of the news item by the Associated Press: “U.S. Intelligence: No ‘direct’ Russian involvement in downing of MH17” ?

14. Is it true that a few hours after the crash, Kiev authorities presented a video in which the eastern opposition admitted shooting down the plane ? And yet, experts who studied the video concluded that it was a fabrication. In particular:

a) “The tape’s second fragment consists of three pieces but was presented as a single audio recording. However, a spectral and time analysis has showed that the dialog was cut into

pieces and then assembled. Short pauses in the tape are very indicative: the audio file has preserved time marks which show that the dialog was assembled from various episodes.”

b) The encoding of the video file shows it was created on 16 July, the day before the plane was shot down.

15. If what precedes is correct, in so far as the information remains to be confirmed, would it mean that the Ukrainian authorities shot the plane down and fabricated evidence to frame the opposition ?

16. Is it correct

- that Secretary of State John Kerry referred to a video that the Ukrainians have made public showing an SA-11 - as the ‘western’ powers refers to the Russian BUK M1 anti-air missile system - unit heading back to Russia after the downing of the plane with ‘a missing missile’ or so:

- that the video was posted on the *Facebook* account of the Ukrainian Interior Minister,

- that according to numerous sources the video was “taken in or near Krasnoarmeisk”, a town under Kiev’s control since May and located “120 kilometers from the Russian border and 80 kilometers from where the MH17 crashed.” ?

17. Is it correct that the Ukrainian Prosecutor-General, Vitaly Yarema, said that the Ukrainian opposition did not possess a Buk missile system: “Ukrainian Interior Minister Anton Gerashchenko said on 17 July that the MH17 had been downed by the Buk missile system...” and that the Ukrainian Prosecutor-General told Ukrainian *Pravda* newspaper on 18 July: “After the passenger airliner was downed, the military reported to the president that terrorists do not have our air defense missile systems Buk and S-300 ... These weapons were not seized.” ?

18. Would it not be possible that the MH17 incident has been used as a pretext to wage economic war against Russia; and that sanctions imposed in the wake of the event, without any evidence of Russian implication, are used to weaken the ruble and destabilise the Russian Monetary system ?

19. Is it correct

- that the downing of MH17 and the reaction of the American administration and media bear strong similarities with the scenario depicted in Operation *Northwoods* - a secret 'false flag' operation planned by the U.S. Joint Chiefs of Staff in which a civilian airliner was to be shot down and blamed on the Cuban government - and

- that the objective was to manufacture a pretext to wage war on Cuba ?

20. Did the call for sanctions ignore the possibility of an accident and instead, assumed a willful act ?

21. Who could benefit from the situation caused by the downing of MH17 ?

22. Why and how would Russia and/or the eastern rebels gain by downing a passenger plane out of the sky ?

23. Is it correct

- that it was estimated, with reference to the problems connected with sanctions, that they will cost the Russian economy 23 billion Euro this year - or about 1.5 per cent of the Gross Domestic Product, and will grow to 75 billion Euro in 2015 - 4.8 per cent of the G.D.P,

- that *The Economist* has calculated that Russian firms will suffer losses from the sanctions as high as 744 billion Euro,

- that the sanctions will also weigh heavily on the economies of Western Europe: the E.U. Commission forecasts that the European Union will lose 40 billion Euro - 0.3 per cent of G.D.P. this year and 50 billion Euro in 2015 - 0.4 per cent of G.D.P., and

- that would happen because Russia was expected to retaliate with trade bans of its own against E.U. countries, which are still largely dependent on Russian gas and have strong economic ties with Russia and its rich sources ?

With all these considerations, one would be foolish to view the plane tragedy in isolation. Furthermore,

24. Is it correct

- that Russian Lieutenant-General Andrei Kartoplov told a press conference that a Ukrainian SU-25 attack jet was gaining height and came within 3-5 kilometers of MH17 ? (Those jets, which are primarily used for ground attack, can briefly fly high enough to have reached the altitude of the MH17, and can be equipped with air-to-air missiles which can destroy flying targets.),

- that Lieutenant-General Kartoplov said that Russian officials have evidence of the jet's presence following images taken by the Rostov monitoring centre. The clear implication is that it might have been a Ukrainian military jet to shot down the MH17,

- that Kartoplov criticised the United States for not releasing its own satellite images taken at the time of the shoot-down, which images - according to the Russians - will confirm just which missile or missiles were launched and by whom, and

- that the general asserted that Ukraine itself had BUK missile launchers located a few miles to the northwest of the Lugansk crash site on 14 July, near rebel-held territory. He said that satellite images revealed the Ukrainian batteries in place on 14 July, but absent from images taken on 17 July, the day of the shoot-down.

25. Is it correct that Russian authorities have posed 10 questions about the tragedy, though few if any 'western' media outlets have even acknowledged them. Here they are:

“1. Immediately after the tragedy, the Ukrainian authorities, naturally, blamed it on the separatist forces. What are these accusations based on ?

2. Can Kiev explain in detail how it uses Buk missile launchers in the conflict zone ? And why were these systems deployed there in the first place, seeing as the self-defense forces do not have any planes ?

3. Why are the Ukrainian authorities not doing anything to set up an international commission ?

4. Would the Ukrainian Armed Forces be willing to let international investigators see the inventory of their air-to-air and surface-to-air missiles, including those used in SAM launchers ?

5. Will the international commission have access to tracking data from reliable sources regarding the movements of Ukrainian warplanes on the day of the tragedy ?

6. Why did Ukrainian air traffic controllers allow the plane to deviate from the regular route to the north, towards “the anti-terrorist operation zone” ?

7. Why was airspace over the warzone not closed for civilian flights, especially since the area was not entirely covered by radar navigation systems ?

8. How can official Kiev comment on reports in the social media, allegedly by a Spanish air traffic controller who works in Ukraine, that there were two Ukrainian military planes flying alongside the MH17 over Ukrainian territory ?

9. Why did Ukraine’s Security Service start working with the recordings of communications between Ukrainian air traffic controllers and the MH17 crew and with the data storage systems from Ukrainian radars without waiting for international investigators ?

10. What lessons has Ukraine learned from a similar incident in 2001, when a Russian Tu-154 crashed into the Black Sea ? Back then, the Ukrainian authorities denied any involvement on the part of Ukraine’s Armed Forces until irrefutable evidence proved official Kiev to be guilty.”

26. Is it correct

- that on 21 July Russian officials surprised the American administration and its N.A.T.O. partners when they released all available satellite imagery and air traffic control data which were recorded in and around the final minutes of Flight MH17 - and presented such data to the world media on live television ?

27. Is it correct that the data painted a very different picture, drawing contrasting conclusions to what the American and the Ukrainian administrations had been disseminating through ‘western’ media since 17 July. Following their presentation, the Russian administration

handed its findings - air traffic data and time stamped satellite imagery - to European authorities.

28. Is it correct that, in stark contrast, the American administration has been reluctant to do the same, and will the American administration be willing to release any relevant data or evidence to the public, or is it only interested in sharing that which somehow fits into the same predetermined narrative it stood by on 17 July, one which already assigned guilt to both rebel fighters in eastern Ukraine and Russia ?

29. Is it correct that a Malaysia Airlines spokesman has already confirmed that, for some unknown reason, Kiev-based Ukrainian Air Traffic Control ordered MH17 off of its original flight path along the international air route, known as L980 ?



30. Is it correct that, as MH17 moved into Ukrainian air space, it was moved by the Kiev Air Traffic Control Kiev approximately 200 miles north - putting it on a new course, heading directly into a war zone, a well-known dangerous area by now - one which hosted a number of downed military craft over the previous three weeks ?

31. Is it correct that the British Broadcasting Corporation reported on 17 July that: “Ukraine’s S.B.U. security service has confiscated recordings of conversations between Ukrainian air traffic control officers and the crew of the doomed airliner, a source in Kiev has told Interfax news agency.” ?

32. Is it correct that, soon after the incident, British news outlets began floating the story - without any evidence, that MH17 was diverted to “avoid thunderstorms in southern Ukraine” ?

33. Is it also correct that Malaysia Airlines immediately refuted this in a report from *Malaysia News*: “MAS operations director Captain Izham Ismail has also refuted claims that heavy weather led to MH17 changing its flight plan ... There were no reports from the pilot to suggest that this was the case.” ?

34. Is it correct

- that the route over the usual Ukrainian airspace is commonly used for Europe to Asia flights. A flight from a different carrier was on the same route at the time of the MH17 incident, as were a number of other flights from other carriers in the days and weeks before. *Eurocontrol* maintains records of all flights across European airspace, including those across Ukraine.

- that the MH17’s ‘usual flight path’ was similar to the flight paths of some 150 international flights which cross eastern Ukraine on a daily basis, and

- that according to Malaysia Airlines “The usual flight route [across the sea of Azov] was earlier declared safe by the International Civil Aviation Organisation, and

- that the International Air Transportation Association has stated that the airspace the aircraft was usually traversing was not subject to restrictions.” ?

35. Is it correct that the regular flight path of MH17 - and other international flights - over a period of ten days prior to 17 July 2014 crossing Eastern Ukraine in a southeasterly direction is across the Sea of Azov ?

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The event

Having left Schiphol in the Netherlands at 10.31 a.m., MH17 met the fatal event at 13.20:03, when data from the flight data recorder and the digital cockpit voice recorder both stopped.

Weather data online were all but unavailable for the area of Donetsk, Ukraine for 17 July, but conditions were evident by numerous videos depicting the crash and crash site in the aftermath. It was cloudy and overcast, with more visibility above the cloud canopy. This factor is important because at its cruising altitude of approximately 33,000 feet - 10,000 metres, the airliner would not be visible from the ground in the rebel-held area where the American administration is insisting a SAM missile was launched. Why Kiev air traffic controllers ordered MH17 suddenly to drop its altitude, from 35,000 feet to around 33,000 feet, just before the plane's demise, is unknown for sure, but it would have been nearly impossible for the alleged rebel gunmen occupying this relatively small rebel-held patch of land to make a visual sighting of MH17 and acquire the target during the 1-2 minute window they would have had, assuming they were even in possession of the BUK missile system.

And so, to more questions:

36. Is it correct that the Ukrainian military had already isolated the rebel area that the Kiev authorities and the American administration insist a rebel-controlled BUK SAM missile battery had fired on the passenger jet ?

37. Is it correct

- that the actual size of the rebel-held part of Ukraine is only 50 miles wide, and that, cruising at 580 mph - 933 kmph, MH17 would have only been visible for a very short time - just over 1 minute, and

- that, if Kiev Air Traffic Control had not ordered MH17 to alter its course, and altitude then it would not have been visible at all from the vantage point of the alleged rebel firing position ?

38. Is it correct, according to *Jane's Defence*, an American magazine devoted to a comprehensive selection of defence, aerospace, transport and security matters, that the alleged culprit - an SA-11 as it is known in 'the West' or BUK M1 SAM missile system, requires 5 minutes set-up active targeting, followed by an additional 22 seconds 'reaction time' for target acquisition and firing ?

39. Is it correct that, as the MH17 was only visible for 70 seconds above the rebel-held area surrounding Grabovo, unless the *alleged* rebel firing position was specifically tracking MH17 long before it entered the rebel-held airspace and could distinguish it from other

military civilian aircraft also in the general vicinity, the American administration's claim and the Kiev authorities' accusation - that rebels shot down this aircraft becomes even less credible ?

40. Is it correct that, on 21 July, the Russian government, with almost every major global media outlet in attendance, released all of its air traffic data and satellite imaging data - all verifiable, including time stamps and supporting data ?

41. Is it correct that minutes before the downing of MH17, the plane made an unexplainable 'left turn' as it flew over the Donetsk area at approximately 13.20 p.m. Amsterdam time, making a sharp 14 kilometres deviation, before attempting to regain its previous course, dropping altitude and disappearing from radar at 13.20.03 p.m. ?

42. Is it correct

- that, according to clear satellite images provided, on 16 July, the Ukrainian Army positioned 3-4 anti-aircraft BUK M1 SAM missile batteries close to Donetsk,

- that these systems included full launching, loading and radio location units, located in the immediate vicinity of the MH17 crash site, and

- that one system was placed approximately 8 kilometres northwest of Lugansk ?

43. Is it correct

- that, in addition, a radio location system for those Ukrainian Army missile batteries was situated 5 kilometres north of Donetsk,

- that on 17 July those batteries were moved to a position 8 kilometres south of Shahktyorsk,

- that, in addition to this, two other radio location units were also identified in the immediate vicinity, and finally

- that those SAM systems have a range of 35 kilometres distance, and 25 kilometres altitude ?

44. Is it correct that, unlike rebel fighters, the Ukrainian military is in possession of some 27 BUK missile systems capable of bringing down high-flying jets, and forensic satellite imagery places at least 3 of their launchers in the Donetsk region on the day of the downing,

and yet the American administration and N.A.T.O. will not undertake the possibility that any of those system had targeted MH17 ?

45. Is it correct that at about 13.20 pm MH17 began abruptly to lose speed, eventually slowing to 124 mph - 200 kmph, and that at about this time, possibly an Su-25 Ukrainian fighter jet appeared on Air Traffic Control radar climbing in the direction of MH17, before trailing MH17 on the same flight path approximately 3-5km behind MH17, rapidly approaching the same flight level, and only minutes before MH17 disappeared on radar ?

46. Is there one very real possibility for MH17 having been diverted 14 kilometres to the left that its Global Positioning System or navigation system was being jammed, while United States and N.A.T.O. forces happened to be conducting an electronic warfare exercise in the Black Sea on 17 July ?

47. Is it correct

- that, in addition to this possibility, all Boeing jets like MH17 - except those of the Lufthansa fleet - are equipped with a remote override which can be accessed by authorities in certain foreign countries, one such authority being the United States, and

- that tough not publicly acknowledged until recently, Boeing Uninterruptible Autopilot systems have been standard since the late 1990s, apparently designed to take control of a commercial aircraft away from the pilot or flight crew, chiefly in the event of a terrorist incident ?

48. Is it correct that a crime scene investigation will be very important, although reports to date from the crash site in Grabovo do not inspire very much confidence that a thorough and independent forensic investigation will be carried out, or that the chain of custody for evidence is being observed ?

49. Is it correct that ballistics would be the key evidentiary element, tough pieces of shrapnel retrieved from the wreckage could help ?

50. Is it correct that, following such investigation, it would be possible easily to establish if such shrapnel came from any of the following:

1. a bomb on board (this is still a possibility),

2. an air-to-air missile, or

3. a surface-to-air missile ?

51. Is it no coincidence

- that United States and N.A.T.O. forces conducted a large-scale military and intelligence drill in the Black Sea just south of Crimea, named, *Sea Breeze 2014*, which just so happened to end on 17 July ?

- that the drill included hundreds of United States military specialists running ‘war simulations’ in electronic warfare, data collection from a spy satellite, and ‘monitoring’ of all passenger aircraft flying in the region ?

52. Is it also no coincidence that the United States had its new experimental satellite positioned over Eastern Europe for 1-2 hours, and directly over Donetsk in eastern Ukraine from 12.06 p.m. to 12.21 p.m. ?

53. Is it a coincidence that, in the wake of the MH17 disaster, the United States and its N.A.T.O allies have been responding with a renewed call for more military aid to Ukraine and to fast-track the Ukraine’s membership into Washington’s overseas military surrogate, N.A.T.O. ?

54. Is it correct that as an emergency response “to secure the crash site”, N.A.T.O. stalwart, the Netherlands, and Australia as ‘an ally’ of the United States were weighing up deploying N.A.T.O. troops into the middle of the war zone in eastern Ukraine ?

55. Is it correct that, following the MH17, the ‘western’ political media machine engaged in an effort to cast Russia and President Putin as international pariah, despite the fact that what has been established thus far is that Ukraine, as well as the United States, the European Union, N.A.T.O., and other ‘western’ countries, such as Australia, have been systematically and grossly lying about evidence pertaining to the tragedy of MH17, and in the process willfully and bluntly, abuse the tragedy and the demise of the victims and the suffering of their families for perverse political goals related to N.A.T.O. expansionism, anti-Russian hysteria, and patent ‘Russophobia’, in order to support an openly un-democratic regime in Kiev, the objective of which is the deliberate destruction of civilians and civilian infrastructure in eastern Ukraine ?

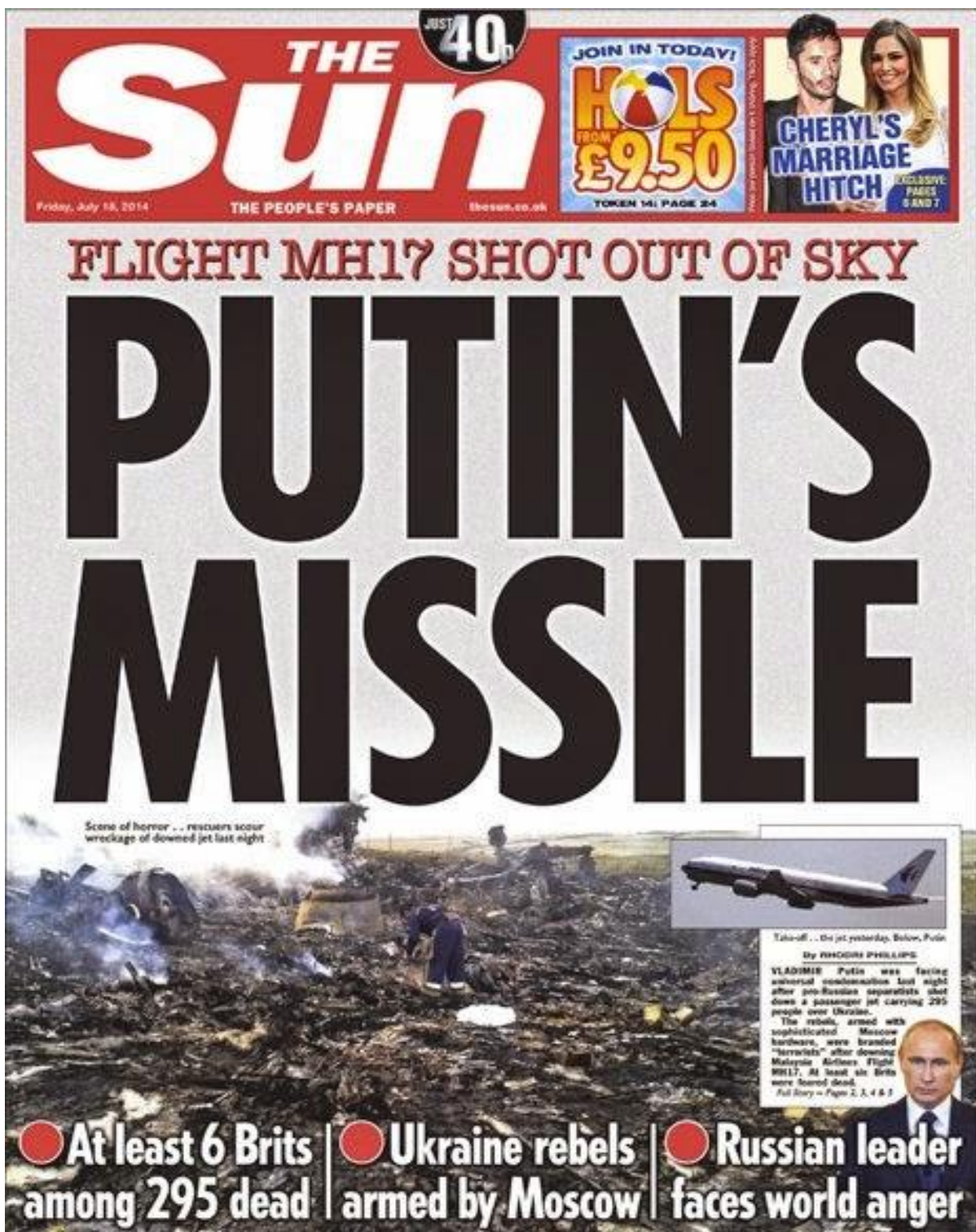
56. Is it correct

- that, immediately after the MH17 crash on 17 July, the Ukrainian authorities quickly uploaded a brief *YouTube* video it purported to be ‘evidence’ of “a ‘BUK’ missile system being moved” out of a rebel-held area near Donetsk,
- that United States State Department officials, and every American media outlet, led by CNN, FOX, ABC, NBC and CBS, along with major American talk radio hosts, immediately took advantage of this 5 second *YouTube* video claiming it was, “Irrefutable proof that a Russian-made BUK missile system was being moved away after it shot down MH17”, and
- that talking points began to cascade from media, and into public chatter ?

57. Is it correct that the Murdoch press, such as the large-circulation *The sun*, always ready to take any pro-war line to the extreme, led the ‘conflict pornography’ on news stands, intentionally inciting fear and jingoism, doing what it always does: nudge the readers of such popular press in a predetermined direction and fuse public opinion among differing classes on divisive international issues ?

58. Is it surprising then,

- that *The sun* ran ‘Putin’s missile’ as its headline on 18 July ?



- that similar covers and headlines were cloned across American and Australian media,
- that, within hours of the news breaking - and despite this blanket coverage, not one of those newspapers, TV or radio broadcasters offered any real evidence outside of anecdotal, scandal-mongering, speculative and conjectural theories ?

- that the United Kingdom newspapers quickly aligned themselves with News Corporation ?

- that this is what the British press did:

a) Richard Desmond's *Daily Express* screamed: PUTIN'S REBELS BLEW UP PLANE.

b) The *Daily Mail*, which is owned by the conglomerate Daily Mail and General Trust Plc, which is in turn owned by Viscount Rothermere, first-paged: PUTIN'S KILLED MY SON.

c) The *Daily Mirror*, which is owned by Trinity Mirror Plc, place in first page: PUTIN'S VICTIMS.

d) The *Daily Telegraph* of the Barclay Brothers said: 'Russian gangsters killed our loved ones, say British families'.

e) 'The finger points at Putin' dared *The Independent*, which is owned by Independent Newspapers, controlled by Tony O'Reilly an Irish newspaper magnate.

For a few days after the downing, 'public attention' had been kept awake by Murdoch sources of 'information'. In Australia, *Fogtel* and *FauxNews* and all the outlets depending on their 70 per cent audience had been very busy in scandalising the tragedy and propagating the much wanted anti-Russian, accusatory purpose.

The rest of the 'independent' press kept struggling.

The Australian Broadcasting Corporation, for a long time in the crosshairs of Australian reactionaries and now with an audience slightly over 12-15 per cent, did its best as usual. And so did the multilingual and multicultural Special Broadcasting Service.

But then the daily need to attend to sport rituals took over, and anyway the weeds of mal-information had been sufficiently watered to last - if necessary. The usual, and very influential shock-jocks took over. Later on the dramatic aspects of the downing fell off the page, the air and the screen - as it were. And the fog returned.

59. Is it correct that, according to the report of German pilot and airlines expert Peter Haisenko, the MH17 was not brought down by a missile ?

60. Is it correct

- that the cockpit shows traces of shelling, that one can see the entry and exit holes,
- that the edge of a portion of the holes is bent inwards, and
- that these are the smaller holes, round and clean, showing the entry points most likely that of a 30 millimeter caliber projectile ?

Would the point better be brought home to incredulous people by the following picture taken sometime before the end of July 2014 ?



MH17 piece with apparent bullet holes

61. Is it correct that monitors from the Organisation for Security and Cooperation in Europe reported that shrapnel-like holes were found in two separate pieces of the fuselage of the MH17 which was believed to have been downed by a missile in eastern Ukraine ?

62. Is it correct that Mr. Michael Bociurkiw of the O.S.C.E. group of monitors at his daily briefing described part of the plane's fuselage dotted with "shrapnel-like, almost machine gun-like holes", and

- that he said that the damage was inspected by Malaysian aviation-security officials - as reported in *The Wall Street Journal* of 31 July 2014 ?

63. Is it correct

- that the team of international investigators with O.S.C.E. indicated that they were uncertain if the missile used was fired from the ground as United States military experts have previously suggested, and

- that so much was reported by the *Malay Mail online* on 25 July 2014 ?

64. Is it correct that all the eyewitnesses interviewed by the British Broadcasting Corporation, which broadcast on 23 July 2014, confirmed the presence of a Ukrainian military aircraft flying within proximity of MH17 at the time that it was shot down ?

65. Is it correct that the shrapnel marks should be distinguished from the small entry and exit holes “most likely that of a 30 millimeter caliber projectile” fired from a military aircraft, and that these holes could not have been caused by a missile explosion as hinted by the main stream media ?



Machine gun like holes

66. Is it correct that a typical SU-25 is equipped with a double-barreled 30-mm gun, type GSh-302 / AO-17A, equipped with: a 250 round magazine of anti-tank incendiary shells and splinter-explosive shells - commonly called: dum-dum, arranged in alternating order ?

67. Is it correct that the GSh-302 firing gun operated by an Su-25 is able to fire 3000 rpm which explains the numerous entry and exit holes ?

68. Is it correct that one could see that the cockpit of MH17 was evidently been fired at from both sides ?

69. Is it correct that, as at 26 July 2014, no investigation appeared to be under way at the crash site, while Dutch and Australian troops remained on standby for deployment to secure the rebel-held site ?

70. Is it correct that Australia already had 90 police in Europe ready to deploy and that it was also planning to send troops, while Prime Minister Abbott specified that “This is a humanitarian mission with a clear and simple objective: to bring them home.” ?

71. Is it correct that monitors from the Organisation for Security and Cooperation in Europe said that rebels controlling the area were only ready to accept between 25 to 35 members of foreign delegations ?

72. Is it correct that the Kiev authorities failed to release transcripts from air traffic control communications which were seized by Ukrainian security services immediately after the incident, although pilots on board an Air India airplane which was flying just 90 seconds behind MH17 say that they heard Ukrainian air traffic control give the order for the doomed plane to change route minutes before MH17 was shot down by a missile ?

73. Is it correct that as early as 1 August 2014 some German media were focussing on the presence of one or two Su-25 Ukrainian planes flying near the MH17 ?

74. Is it correct that there is evidence, coming from a 21 July 2014 briefing by the Russian military, and that such evidence was widely reported by *The Wall Street Journal* and the *Veteran today network* ?

75. Is it correct that *TIME* magazine reported outgoing U.N. High Commissioner for Human Rights Dr. Navi Pillay as saying that “this violation of international law, given the prevailing circumstances, may amount to a war crime. It is imperative that a prompt, thorough, effective, independent and impartial investigation be conducted into this event.” And yet omitted reference to the broad dimensions of the Ukrainian crisis ?

76. Is it correct that on 29 July 2014 RT News reported that “Ukraine’s President Petro Poroshenko said [that] Kiev is finally ready for a cease-fire at the MH17 crash site after Russia’s numerous calls. [and yet] Kiev continued its military offensive even after the U.N. Security Council urged a halt to fighting in the area [the previous] week.” ?

77. Is it correct that, according to RT News, reporting on a Ukrainian press service, President Poroshenko promised, in a phone call with the prime ministers of Australia and the Netherland, that he would declare a unilateral ceasefire for a crash site zone with a 20 kilometres radius, although RT was unable to report a date for the cease-fire to begin, but that Poroshenko said on the phone that Kiev “is making every effort possible to accelerate the international experts' access of to the crash site.” ?

78. Is it correct that on 29 July 2014 nine members of Veteran Intelligence Professionals for Sanity, a group of retired U.S. intelligence officers organised in 2003 in response to the abuse of intelligence to go to war on Iraq, lamented that similar manipulation and dishonesty were presently occurring in a lengthy letter to President Obama, dealing specifically with the administration’s mishandling of the MH17 shoot-down and explaining in detail why they were “troubled by the amateurish manner in which fuzzy and flimsy evidence has been served up - some of it via ‘social media.’” ?

79. Is it correct

- that on 7 August 2014 an article titled ‘MH17: Pockmarks look like from very, very heavy machine gun fire, says first OSCE monitor on-scene’ appeared in *The New Straits Times*, Malaysia’s flagship English-language newspaper, and accused the Kiev government of downing MH17,

- that the article began by stating that “Intelligence analysts in the United States had already concluded that Malaysia Airlines flight MH17 was shot down by an air-to-air missile, and

that the Ukrainian government had had something to do with it.”

- that, given the tightly controlled character of the Malaysian media, it appears that the accusation that Kiev shot down MH17 had the tacit approval of the Malaysian government, and

- that ‘western’ media totally ignored the report ?

80. Is it correct

- that the *New Straits Times* quoted experts who had said that photographs of the blast fragmentation patterns on the fuselage of the airliner showed two distinct shapes: the shredding pattern associated with a warhead packed with ‘flechettes’, and the more uniform, round-type penetration holes consistent with that of cannon rounds,

- that, to corroborate its statement, the newspaper offered the following photograph where



the holes in the wreckage of MH17 are believed to have come from 30mm cannon fire ?

81. Is it correct

- that on 17 July 2014, in a piece expressing the view of its board, *The Washington Post* editorialised “ The world must know whose weapon destroyed a passenger plane” and then proceeded to write

- that “Ukrainian authorities charged that [MH17] had been struck by a missile fired by a Russian-made surface-to-air battery supplied to Moscow’s Ukrainian proxies”,

- that “If the reports are confirmed, the Ukrainian separatists and their sponsors in Moscow will be responsible for a heinous crime. The United States and its allies must insist that those responsible be held accountable - including those in the Kremlin”, and

- that, in an editorial titled ‘Putin’s Latest Escalation – Russia’s support for Ukrainian separatists may lead to a bigger war’, *The Wall Street Journal* of 17 July 2014 quoted Ukrainian President Poroshenko accusing “Russian staff officers [of] taking part in military operations against Ukrainian forces.”, and that it provided no corroborating evidence to accuse President Putin of "attempting to disguise his use of force to achieve his strategic goals..." ?

82. Is it correct that on 7 August 2014 N.A.T.O.’s Secretary General Anders Fogh Rasmussen expressed support for Ukraine’s government, saying: “N.A.T.O.’s support for the sovereignty and territorial integrity of Ukraine is unwavering. Our partnership is long-standing.” to which he added “It’s strong, and in response to Russia’s aggression, N.A.T.O. is working even more closely with Ukraine to reform its armed forces and defence institutions.” , accusing Russia of massing troops on Ukraine’s border, shielding “separatists”, and using pretexts for further intervention ?

* * *

Who was behind the MH17 downing ?

When the Soviet Union was disbanded on 8 December 1991 the leaders of Ukraine, Russia and Belarus formed the Commonwealth of Independent States.

Most of the other republics soon signed up for the new union.

But in Ukraine there had already been signs of ‘independence’. On 16 July 1990 the Parliament of Ukraine - *Verkhovna Rada* adopted a historic document titled the Declaration of Nation Sovereignty of Ukraine. It was the beginning of the new period in Ukraine’s history.

On 24 August 1991 the Act of Independence of Ukraine was proclaimed. An all-Ukrainian referendum took place on 1 December 1991. It confirmed this historical choice with more than 90 per cent of the votes; Leonid Kravchuk was elected President.

In 1994 Ukraine became a member of the Council of Europe.

In 1994 Kravchuk lost his presidency to his former Prime Minister Leonid Kuchma. President Kuchma began to implement some ‘market reforms’, but the economy remained dominated by huge, inefficient state-run companies and corruption.

On 28 July 1996 the *Verkhovna Rada* enacted the new Constitution. The 2004 presidential election appeared to mark a significant turning point for Ukraine, and led to the events known as the ‘Orange Revolution.’ In late December, after a few election tours, Victor Yushchenko became the new President of Ukraine.

In January 2010 Victor Yanukovich won the second round of the election with 48.95 per cent of the vote against Yulia Tymoshenko’s 45.47 per cent. He was thus the first directly elected president in Ukraine’s history to win with less than 50 per cent of the vote.

Two major candidates presented at the 2004 presidential election. One was Viktor Yanukovich, the incumbent Prime Minister, who was supported both by Kuchma and by the Russian Federation. He wanted closer ties with Russia. The other was the main opposition candidate, Viktor Yushchenko, who called for Ukraine to turn its attention westward and eventually join the European Union. In the runoff election, Yanukovich officially won by a narrow margin, but Yushchenko and his supporters alleged that vote rigging and intimidation cost him many votes, especially in eastern Ukraine. A political crisis erupted after the opposition started massive street protests in Kiev and other cities, and the Supreme Court of Ukraine ordered the election results null and void. A second runoff found Viktor Yushchenko

the winner. Five days later, Viktor Yanukovich resigned from office and his cabinet was dismissed on 5 January 2005.

During the Yushchenko term, relations between Russia and Ukraine often appeared strained as Yushchenko looked towards improved relations with the European Union and less towards Russia. In 2005 a highly publicised dispute over natural gas prices with Russia indirectly involved many European countries. A compromise was reached in January 2006, and in early 2010 a further agreement locked the price of Russian gas.

By the time of the presidential election of 2010, Yushchenko and Yulia Tymoshenko - allies during the 'Orange Revolution' - had become bitter enemies. Tymoshenko ran for president against both Yushchenko and Yanukovich, causing a three-way race. Yushchenko, whose popularity had plummeted, persisted in running, and many pro-Orange voters stayed home. Yanukovich received 48 per cent of the vote and Yushchenko less than 6 per cent, an amount which, if thrown to Tymoshenko, who received 45 per cent, would have prevented Yanukovich from gaining the presidency. Yanukovich won the run-off ballot.

In November 2013 President Yanukovich refused to sign the Ukraine-European Union Association Agreement and instead continued to pursue closer ties with Russia. This move sparked protests on the streets of Kiev. Protesters set up camps in *Maidan Nezalezhnosti* - Independence Square, and in December 2013 and January 2014 protesters started taking over various government buildings, first in Kiev and, later, in western Ukraine. Battles between protesters and police resulted in about 80 deaths in February 2014.

Following the violence, the Parliament turned against Yanukovich and on 22 February voted to remove him from power, and to free Yulia Tymoshenko from prison. The same day Yanukovich supporter Volodymyr Rybak resigned as speaker of the Parliament, and was replaced by Tymoshenko loyalist Oleksandr Turchynov, who was subsequently installed as interim President. Yanukovich fled Kiev and took refuge in Russia.

In March 2014 a referendum resulted in Crimea being annexed by Russia. The referendum, which was organised under Russian military occupation, was denounced by the European Union and the United States as illegal.

Enters Victoria Jane Nuland.

On 7 February 2014 an apparently ‘bugged’ phone conversation in which a senior United States diplomat disparages the European Union over the Ukraine crisis was posted online. The conversation between Victoria Jane Nuland, the Assistant Secretary of State for European and Eurasian Affairs at the United States Department of State and the United States Ambassador to Ukraine, Geoffrey Pyatt, appeared on *YouTube* on Tuesday 4 February 2014. What follows is a *verbatim* transcript. This is a fragment of what may well be a larger phone conversation. But the American administration has not denied its veracity and has been quick to point a finger at the Russian authorities for being behind its interception and leak.

Victoria Nuland: “What do you think.” ?

Geoffrey Pyatt: “I think we’re in play. The Klitschko [Vitaly Klitschko, one of three main opposition leaders] piece is obviously the complicated election here. Especially the announcement of him as deputy prime minister and you’ve seen some of my notes on the troubles in the marriage right now so we’re trying to get a read really fast on where he is on this stuff. But I think your argument to him, which you’ll need to make, I think that’s the next phone call you want to set up, is exactly the one you made to Yats [Arseniy Yatseniuk, another opposition leader]. And I’m glad you sort of put him on the spot on where he fits in this scenario. And I’m very glad that he said what he said in response.”

Nuland: “Good. I don’t think Klitsch should go into the government. I don’t think it’s necessary, I don’t think it’s a good idea.”

Pyatt: “Yeah. I guess... in terms of him not going into the government, just let him stay out and do his political homework and stuff. I’m just thinking in terms of sort of the process moving ahead we want to keep the moderate democrats together. The problem is going to be Tyahnybok [Oleh Tyahnybok, an other opposition leader] and his guys and I’m sure that’s part of what [President Viktor] Yanukovich is calculating on all this.”

Nuland: [Breaks in] “I think Yats is the guy who’s got the economic experience, the governing experience. He’s the... what he needs is Klitsch and Tyahnybok on the outside. He needs to be talking to them four times a week, you know. I just think Klitsch going in ... he’s going to be at that level working for Yatseniuk, it’s just not going to work.”

Pyatt: “Yeah, no, I think that’s right. O.K. Good. Do you want us to set up a call with him as the next step.” ?

Nuland: “My understanding from that call - but you tell me - was that the big three were going into their own meeting and that Yats was going to offer in that context a ... three-plus-one conversation or three-plus-two with you. Is that not how you understood it.” ?

Pyatt: “No. I think ... I mean that’s what he proposed but I think, just knowing the dynamic that’s been with them where Klitschko has been the top dog, he’s going to take a while to show up for whatever meeting they’ve got and he’s probably talking to his guys at this point, so I think you reaching out directly to him helps with the personality management among the three and it gives you also a chance to move fast on all this stuff and put us behind it before they all sit down and he explains why he doesn’t like it.”

Nuland: “O.K, good. I’m happy. Why don’t you reach out to him and see if he wants to talk before or after.”

Pyatt: “O.K, will do. Thanks.”

Nuland: “O.K... one more wrinkle for you Geoff. [A click can be heard] I can’t remember if I told you this, or if I only told Washington this, that when I talked to Jeff Feltman [United Nations Under-Secretary-General for Political Affairs] this morning, he had a new name for the UN guy Robert Serry did I write you that this morning.” ?

This was an intriguing insight into the foreign policy process with work going on at a number of levels: various officials attempting to marshal the Ukrainian opposition; efforts to get the United Nations to play an active role in bolstering a deal; and - as one could see further on - the big guns waiting in the wings: the United States Vice-President Joe Biden clearly being lined up to give private words of encouragement at the appropriate moment.

Pyatt: “Yeah I saw that.”

Up to this time the United States and the European Union had not been completely in step during the Ukraine crisis. The E.U. was understandably divided and to some extent hesitant about picking a fight with Russia. It certainly cannot win a short-term battle for Ukraine’s affections with Russia - it just does not have the cash inducements available. The E.U. had

sought to play a longer game; banking on its attraction over time. But the U.S. clearly was determined to take a much more activist role.

Here is a taste of diplomat Nuland at work.

Nuland: “O.K. He’s now gotten both Serry and [U.N. Secretary General] Ban Ki-moon to agree that Serry could come in Monday or Tuesday. So that would be great, I think, to help glue this thing and to have the UN help glue it and, you know, *Fuck the E.U.*” [Emphasis added]

Pyatt: “No, exactly. And I think we’ve got to do something to make it stick together because you can be pretty sure that if it does start to gain altitude, that the Russians will be working behind the scenes to try to torpedo it. And again the fact that this is out there right now, I’m still trying to figure out in my mind why Yanukovych [unclear] that. In the meantime there’s a Party of Regions faction meeting going on right now and I’m sure there’s a lively argument going on in that group at this point. But anyway we could land jelly side up on this one if we move fast. So let me work on Klitschko and if you can just keep... we want to try to get somebody with an international personality to come out here and help to midwife this thing. The other issue is some kind of outreach to Yanukovych but we probably regroup on that tomorrow as we see how things start to fall into place.”

Nuland: “So on that piece Geoff, when I wrote the note [US vice-president’s national security adviser Jake] Sullivan’s come back to me VFR [direct to me], saying you need [US Vice-President Joe] Biden and I said probably tomorrow for an atta-boy and to get the deets [details] to stick. So Biden’s willing.”

Pyatt: “O.K. Great. Thanks.”

In order to make a ‘regime change’ in Ukraine, from a Russia-ally, to a U.S.-ally, the American administration needed to neutralise the residents in southeastern Ukraine, the people who had voted Yanukovych into office. With the votes of those people another pro-Russian would be able to be elected President of Ukraine, and the United States effort - political as well as financial (up to US\$ 5 billion had been spent) - could easily and soon become undone by an election. Furthermore, those people there live on a huge shale-gas field and they resist ‘fracking’ - they do not want their water to become poisoned. ‘Fracking’ is

a colloquial term for hydraulic fracturing. It refers to the procedure of creating fractures in rocks and rock formations by injecting fluid into cracks to force them further open. The larger fissures allow more oil and gas to flow out of the formation and into the wellbore, from where it can be extracted.

Western oil companies wanted access there to frack for its gas. As will be seen, Vice-President Joe Biden's son, Hunter Biden, was placed onto the board of directors of the largest privately owned shale-gas operation in Ukraine, *Burisma Holdings* - controlled by the mastermind of the 2 May 2014 massacre against the American instigated *coup's* local opponents in Odessa. The billionaire behind *Burisma*, Ihor Kolomoysky, was appointed to be his region's Governor, by the Arseniy Yatsenyuk who was appointed by Victoria Nuland who was appointed by the Secretaries of State, Hillary Clinton and John Kerry who were appointed by President Obama. Most of them are connected with oil companies and Wall Street.

So it became necessary to eliminate, one way or the other, the power of the people from southeastern Ukraine. That could be done through a veritable ethnic-cleansing operation.

On 4 July 2014 the Ukrainian government carried out the destruction of the city of Slovyansk, which had voted for the Ukrainian President whom Obama's emissaries had just ousted. After that city was destroyed, the Ukrainian government turned its forces against the much larger city of Donetsk, in an attempt to destroy it.

Early in August, the other large southeastern city, Lugansk, was utterly destroyed.

The Ukrainian Minister of 'Defence' had designed the ethnic-cleansing programme. For this he needed 'professionals' - as will be seen.

The ousting of President Viktor Yanukovich on 22 February 2014 brought about a new Ukrainian administration which would be promptly recognised as the legitimate government by many countries in 'western' Europe, by the United States and, of course, by Australia. The United States and, later some European Union countries, played a key role in the overthrow of the government headed by Victor Yanukovich and the Party of Regions. Listening to the politicians in 'western' capitals, reading or watching the corporate media, it

would be easy to believe that the *coup* in the Ukraine ushered in a new era of democracy.

Nothing could be further from the truth. The new, self-appointed Kiev government is a coalition between Right-wing and outright Nazi forces, and the line between the two is often difficult to discern. Moreover, it is the Nazi forces, particularly the *Svoboda* Party and the Right Sector, which are in the ascendancy, as evidenced by the fact that they have been given key government positions in charge of the military and other core elements of the state apparatus.

The *coup* brought to power a government representing financial oligarchs and extremist groups. Its members comprise several Nazi leaders. This is the first time since the second world war that politicians referring directly to the Third Reich have come to power in Europe.

Two of the new governants claim to have links with the Islamic Emirate of the North Caucasus, an organisation affiliated with *al-Qaeda*, according to the United Nations. One of them has left to fight against Russia within this context.

Three other members were involved in propaganda operations, posturing as victims of the democratic regime of Viktor Yanukovich.

Prominent among them are two leaders who have distinguished themselves by fabricating false images of violence and torture aimed to convince 'western' public opinion of the cruelty of the democratically elected President Yanucovyh. Further, the Deputy Secretary of the National Security and Defence Council of Ukraine openly acknowledged his ties with *al-Qaeda*.



The new Prime Minister Arseniy Yatsenyuk is a powerful Right-wing banker, and Leader of the Fatherland Party, seeing here [left] while meeting with American Neo-con Senator John McCain. Pictured at the centre is neo-Nazi *Svoboda* leader Oleh Tyahnybok, now one of the most powerful figures in the country.

One of the three Deputy Prime Ministers - at the time of Yatsenyuk 'instalment' - is Andriy Parubiy, Secretary of the National Security and Defense Council - the body which presides over the Ministry of Defence and the Armed Forces. He co-founded, together with Oleh Tyahnybok, the Social National Party of Ukraine, which in 2004 changed its name to *Svoboda* - Freedom. The S.N.P. has tried somewhat to moderate its image while retaining its neo-Nazi core. Parubiy, is also listed as being from the Fatherland Party. But here the murky divide between the right-wing and fascist parties comes into view. Parubiy was co-founder of the Social National Party in 1991, an openly fascist party the symbol of which is the *Wolfsangel*, which closely resembles a swastika. It was only in 2012 that Parubiy ran on the Fatherland ticket. During the opposition demonstrations in the *Maidan* he was known as 'the commandant.'



The *Wolksangel* (wolf's anchor or wolf's hook) symbol of Hitler's SS on a Ukrainian banner

Another of Yatsenyuk's deputy is Dmytro Yarosh, Deputy Secretary of the National Security and Defence Council, the body which presides over the Ministry of Defence and the Armed Forces, Police, Courts and Intelligence. He is the Leader of Stepan Bandera Treezoob and the Right Sector coalition. Yarosh fought alongside Chechen Islamists. On 1 March 2014 he turned for help to the emir of the North Caucasus, Dokka Umarov, considered by the United Nations to be a member of *al-Qaeda*. He was the leader of the fascist Right Sector's paramilitary forces in *Maidan*. In a recent British Broadcasting Corporation video, a Right Sector leader said: "National Socialist [Nazi] ideas are popular here... We want a clean nation, not like under Hitler, but a little bit like that."

Oleksandr Sych is another of the three Deputy Prime Ministers. He is a member of the *Svoboda* Party and a fanatic anti-abortion activist.

The Minister of Defence is Ihor Tenyukh. His membership in the *Svoboda* Party is not certain, although he is reputed to have attended their meetings. Trained in the United States, he directed joint Ukraine/N.A.T.O. manoeuvres. In 2008, during the war in Georgia, he organised the siege of Sevastopol and was promoted vice admiral of the fleet. His appointment as defence minister prompted the Ukrainian Navy not to recognise the new government and to fly the Russian flag.

Though not named as a government minister - clearly by choice - Tyahnybok is the leader of *Svoboda*, of which he was also a co-founder when it was known as the Social National Party. Now he is one of the most powerful figures in the country. While Tyahnybok sought to moderate *Svoboda*'s public image beginning with the name change in 2004, a speech he gave the same year showed just how paper-thin that cover was. Speaking at a memorial to a commander of the Ukrainian Insurgent Army - U.I.A. which collaborated with the Nazis and massacred tens of thousands of Poles, Jews and communists, he called for Ukrainians to fight the "Muscovite-Jewish mafia" which he claimed was running the country. Tyahnybok praised the U.I.A. and the Organisation of Ukrainian Nationalists led by Stepan Bandera, who "fought against the Russians, Germans, Jews and other scum who wanted to take away our Ukrainian state." In 2005 Tyahnybok signed an open letter to Ukraine leaders denouncing the "criminal activities" of "organised Jewry" who, he claimed, wanted to commit "genocide" against Ukrainian people.

Serhiy Kvit, a member of the *Svoboda* Party, has taken up the duties of Education Minister.

Andriy Mokhnyk, a member of the *Svoboda* Party. He is Minister of Ecology and Natural Resources of Ukraine.

Ihor Shvaika, a member of the *Svoboda* Party, is the Minister of Agrarian Policy and Food.

Dmytro Boulatov, a member of the Ukrainian National Self-Defence (UNA-UNSO), is Ministry of Youth and Sports.

Oleh Makhnitsky, a member of the *Svoboda* Party, is the Prosecutor General of Ukraine. Upon appointment he immediately set out to indict the leaders of Crimea who did not want to live under the new order in Kiev. That millions of Ukrainians, Russians, Greeks, Jews and others would abhor living under such a government should come as a surprise to no one. Seven decades ago, Nazi Germany and its allies invaded the Soviet Union, of which the Ukraine was a part.

Svoboda also holds the ministries of ecology and, especially critical in the Ukraine, agriculture in the new government.

Tetiana Tchornovol, a member of the Ukrainian National Self-Defence (UNA-UNSO), is the Chair, National Anti-Corruption Committee and the sole woman in the cabinet.

Support for the Nazi-fascists is surging in the Ukraine. In 2006, *Svoboda* received 0.36 of 1 per cent of votes in the elections; in 2012 it became the fourth largest party in the *Rada*, with 10.45 per cent of the votes and 37 seats out of 450. In a public opinion poll taken at the beginning of February 2014, 54 per cent said they would vote for Tyahnybok for president if he ran against Yanukovych. The poll was held three weeks before the overthrow of Yanukovych.

* * *

Cui prodest ? Huh ...It is the oil, men !

Most important to understanding what is at stake in Ukraine, however, is the struggle over natural resources.

Australian news media - traditionally poor at providing context - failed to note that the downing of MH17 came amid an unfolding trade war between the United States and Russia for the lucrative European natural gas market. They also failed to point out that the sanctions are strengthening the American market potential in the area.

The battle over natural gas, oil and other fuels and minerals involves the entire European continent, in fascinating and intrigue-filled ways. The first piece of evidence that sanctions against Russia may be more about oil and gas than about punishment is the surprising new restriction on the export of hi-tech oil-production equipment, and a total ban on equipment destined for deep water, Arctic, and shale oil production. Shale oil is of increasing importance to the United States, and the world.

In a stunning but little-known speech delivered in 2007, Gen. Wesley K. Clark claimed that America underwent a 'policy coup' at the time of the 9/11 attacks. He had documented the progress of that *coup* in a book titled *Winning modern wars, Iraq, terrorism and the American Empire* that Gen. Clark had published in 2003. He was not just the usual retired general. He had been Supreme Allied Commander, Europe, from 1997 to 2000. In a 3 October 2007 video, he revealed that, right after 9/11, he was privy to information contained in a classified memo: 'US plans to attack and remove governments in seven countries over

five years: Iraq, Syria, Lebanon, Libya, Somalia, Sudan and Iran'. At the Pentagon he was told: "We learned that we can use our military without being challenged We've got about five years to clean up the Soviet client regimes before another superpower comes along and challenges us." "This was a policy coup...these people took control of policy in the United States. ..."

In an interview on 24 September 2012 General Clark linked three topics: oil, war and activism. He explicitly laid out the central role of oil in American military strategy, and advocated for increased use of clean energy alternatives. He also said that the only way to change policy on energy and the military is for a mass public movement to stand up to the oil industry, the richest and most powerful in history. He said that young people have the most to gain, and will have to take the lead.

Here is a transcript of what Gen. Clark said:

"... So energy is about generating electricity. There you can move pretty quickly into solar and wind. Not only are the costs coming down through better engineering and better scientific development, but also battery technology is improving so you can store it and feed it into the power grid at the time you need it, not just when it's generated.

But on the other hand, there is transportation fuel. And that's mostly oil. And that's mostly imported. And that's what people fight wars about, mostly they don't fight war about coal, they fight about oil.

In the summer of 1973 in Washington, I wrote three reports about the energy crisis for the Pentagon, one of which looked at the impact of being an oil-importing nation on the United States. And it was pretty clear even then that this would distort America's foreign policy, spread lots of money abroad, and might ultimately require us to use U.S. troops to secure access to these energy supplies abroad.

Of course that's exactly what happened. This led then to the creation of *al-Qaeda*, 9/11, our invasion of Afghanistan, the Bush administration decision to invade Iraq. It's led to expenditures of a couple of trillion dollars and more, much more to follow. And we're not done yet."

To the question: “What would you estimate we’re spending annually on keeping the oil pipeline open ?” General Clark replied:

“Well, it’s 300 billion dollars of US foreign exchange to buy the oil, another 600 billion dollars for the defense budget. Not all of that is directed toward energy but you could say that 150 billion dollars a year we’re spending on the wars is certainly about oil, directly or indirectly.

And you could probably say half of the rest of the defense budget is one way or another connected to stationing troops abroad, trying to protect access to oil, exercises, procurement of equipment. And then you could look at the bill for the Veterans Administration. So this comes out to be half a trillion dollars or more a year, is going to this. It’s been a tragic failure of policy and a failure of US leadership.

How can we replace these barrels of oil with other means of energy? The alternatives are there now, and bio fuels, compressed natural gas, electric automobiles increasingly, liquefied natural gas, coal to liquids. There’s lots of different ways to make liquid fuel.

So I think that it’s a matter of a struggle for political organizations. I think it does take the kind of movement that you’ve talked about. I think you have to mobilize young people. I think you have to, not just young people, but young people in particular. After all, they have the most to gain from the future – and the most to lose. And they need to speak up on behalf of these issues.

Because they’re going against some very, very powerful forces. Forces of big oil are the most powerful economic forces in the world. If you look at the entire wealth of mankind, the value of oil reserves in the ground is like 170 trillion dollars. It’s the most valuable commodity as currently priced in the world. You’re going against people who control those reserves. So this can only be done through a mass movement that overturns the established structure of energy markets. It can’t be done in a smooth transition.”

According to recent information, it could be well said that Ukraine has 395 million barrels of proven oil reserves, the majority of which are located in the eastern Dnieper-Donetsk basin. Ukraine has made efforts at exploration, particularly in its sector of the Sea of Azov, but oil production has remained relatively flat since independence. According to the 2008 BP

Statistical Energy Survey, Ukraine consumed an average of 324.67 thousand barrels a day of oil in 2007.

Ukraine's geographic location makes it an important corridor for oil and natural gas to transit from Russia and the Caspian Sea region to Europe. During 2006 Ukraine pipelines carried 22 per cent of Russia's exports to Ukraine refineries and Europe. Ukraine has six crude oil refineries, with a combined throughput capacity of approximately 880,000 bbl/d - the unit of volume for crude oil and petroleum products, per day.

According to the 2008 British Petroleum Statistical Energy Survey, Ukraine had 2007 proved natural gas reserves of 1.02 trillion cubic metres, 0.57 per cent of the world total. According to the same survey, Ukraine had 2007 natural gas production of 19 billion cubic metres and consumption of 64.64 billion cubic metres. Ukraine is the sixth largest consumer of gas in the world.

As is the case with oil, Ukraine plays a significant role as an intermediary connecting Russia, the world's largest natural gas producer, with growing European markets. Ukraine's aging natural gas infrastructure is of concern both to European consumers and Russian producers.

Oil and gas have for a long time subjects to disputes between Russia and Ukraine.

Such disputes have occurred mainly between the *Naftohaz Ukrayiny* company and the Russian gas supplier *Gazprom*. They concerned problems with natural gas supplies, prices, and debts. These disputes have grown beyond simple business disputes into transnational political issues - involving political leaders from several countries - which threaten natural gas supplies in numerous European countries dependent on natural gas imports from Russian suppliers, which are transported through Ukraine. Russia provides approximately a quarter of the natural gas consumed in the European Union; approximately 80 per cent of those exports travel through pipelines across Ukrainian soil prior to arriving in the E.U.

A serious dispute began in March 2005 over the price of natural gas supplied and the cost of transit. During this conflict, Russia claimed that Ukraine was not paying for gas, but diverting that which was intended to be exported to the E.U. from the pipelines. Ukrainian officials at first denied the accusation, but later *Naftohaz* admitted that natural gas intended for other European countries was retained and used for domestic needs. The dispute reached a crescendo on 1 January 2006, when Russia cut off all gas supplies passing through Ukrainian territory. On 4 January 2006 a preliminary agreement between Russia and Ukraine was

achieved, and the supply was restored. The situation calmed until October 2007 when new disputes began over Ukrainian gas debts. This led to reduction of gas supplies in March 2008. During the last months of 2008 relations once again became tense when Ukraine and Russia could not agree on the debts owed by Ukraine.

In January 2009 this disagreement resulted in supply disruptions in many European nations, with eighteen European countries reporting major drops in or complete cut-offs of their gas supplies transported through Ukraine from Russia. In September 2009 officials from both countries stated that they felt the situation was under control and that there would be no more conflicts on the subject, at least until the Ukrainian 2010 presidential elections. However, in October 2009, another disagreement arose about the amount of gas that Ukraine would import from Russia in 2010. Ukraine intended to import less gas in 2010 as a result of reduced industry needs because of its economic recession; however, *Gazprom* insisted that Ukraine fulfil its contractual obligations and purchase the previously agreed upon quantities of gas.

On 8 June 2010 a Stockholm court of arbitration ruled that *Naftohaz* must return 12.1 billion cubic metres - 430 billion cubic feet of gas to *RosUkrEnergo*, a Swiss-based company in which *Gazprom* controls a 50 per cent stake. Russia accused Ukrainian side of siphoning gas from pipelines passing through Ukraine in 2009. Several high-ranking Ukrainian officials stated that the return "would not be quick."

Several views have been put forward as to alleged political motives behind the gas disputes, including Russia exerting pressure on Ukrainian politicians or attempting to subvert E.U. and N.A.T.O. expansions to include Ukraine. Others suggested that Ukraine's actions were being orchestrated by the United States. Both sides tried to win sympathy for their arguments fighting a public relations war.

After meeting her Russian counterpart [then] Prime Minister Putin, Ukrainian Prime Minister Tymoshenko declared on 3 September 2009: "Both sides, Russia and Ukraine, have agreed that at Christmas, there won't be [any halt in gas supplies], as usually happens when there are crises in the gas sector. Everything will be quite calm on the basis of the current agreements." Tymoshenko also said that the Ukrainian and Russian premiers had agreed that sanctions would not be imposed on Ukraine for the country buying less gas than expected and that the price of Russian gas transit across Ukraine may grow 65 per cent till 70 per cent in 2010. A

week before *Gazprom* had said that it expected gas transit fees via Ukraine to rise by up to 59 per cent in 2010.

The new Ukrainian Prime Minister Mykola Azarov and Energy Minister Yuriy Boyko were in Moscow late March 2010 to negotiate lower gas prices; neither clearly explained what Ukraine was prepared to offer in return. Following these talks Russian Prime Minister Putin stated that Russia was prepared to discuss the revision of the price for natural gas it sells to Ukraine.

On 21 April 2010 Russian President Dmitry Medvedev and Ukrainian President Viktor Yanukovich signed an agreement in which Russia agreed to a 30 per cent drop in the price of natural gas sold to Ukraine. Russia agreed to this in exchange for permission to extend Russia's lease of a major naval base in the Ukrainian Black Sea port of Sevastopol for an additional 25 years with an additional five-year renewal option - to 2042-47. As of June 2010 Ukraine pays *Gazprom* around \$234/mcm - thousand cubic metre.

This agreement was subject to approval by both the Russian and Ukrainian parliaments. They did ratify the agreement on 27 April 2010. Opposition members in Ukraine and Russia expressed doubts that the agreement would be fulfilled by the Ukrainian side.

Yanukovich defended the agreement as a tool to help stabilise the state budget. Opposition members in Ukraine described the agreement as a sell out of national interests.

In February 2014 Ukraine's state-owned oil and gas company *Naftogaz* sued *Chornomornaftogaz* for delayed debt payments of 11.614 billion hryvnia - UAH, almost 1 billion Euro in the Economic Court of the Crimean Autonomous Republic.

In March 2014 Crimean authorities announced that they would nationalise the company. Crimean deputy prime minister Rustam Temirgaliev said that Russia's *Gazprom* would be its new owner. A group of *Gazprom* representatives, including its head of business development, has been working at the *Chornomornaftogaz* head office since mid-March 2014. *Chornomornaftogaz*, which literally means: 'Black Sea oil and gas', was a subsidiary of Ukraine's state-owned oil and gas company *Naftogaz*. However, after the 2014 Crimean crisis it was seized by the region's parliament in the run-up to its annexation by Russia. On 1

April Russia's energy minister Alexander Novak said that *Gazprom* would finance an undersea gas pipeline to Crimea.

On 11 April 2014 the U.S. Treasury's Office of Foreign Assets Control announced that it had added *Chornomornaftgaz* to the Specially Designated Nationals and Blocked Persons List as part of the third round of U.S. sanctions. *Reuters* quoted an anonymous U.S. official who explained that the United States wanted to make it impossible for *Gazprom* "to have dealings with *Chornomorneftegaz*", and if that were to happen, *Gazprom* itself could face sanctions.

The European Union followed suit on 13 May 2014, the first time its sanctions list included a company - in addition to *Chornomorneftegaz*, a Crimean oil supplier called *Feodosia* was also included.

In an attempt at energy independence, *Naftogaz* signed a pipeline access deal with Slovakia's *Eustream* on 28 April 2014. *Eustream* and its Ukrainian counterpart *Ukrtransgaz*, controlled by *Naftogaz*, agreed to allow Ukraine to use a never used - but aging, at 20 years old - pipeline on Slovakia's eastern border with Uzhhorod in western Ukraine. The deal would provide Ukraine with 3 billion cubic meters of natural gas beginning in autumn of 2014 with the aim of increasing that amount to 10 billion cubic meters in 2015.

On 1 April 2014 *Gazprom* cancelled Ukraine's natural gas discount as agreed in the 17 December 2013 Ukrainian-Russian action plan because its debt to the company had risen to US\$ 1.7 billion since 2013. Later that month the price 'automatically' jumped to US\$ 485 per 1,000 cubic meters because the Russian government annulled an export-duty exemption for *Gazprom* in place since the 2010 Kharkiv Pact - the agreement having been repudiated by Russia on 31 March 2014. On 16 June 2014 *Gazprom* stated that Ukraine's debt to the company was US\$ 4.5 billion.

After intermediary trilateral talks, started in May 2014, among the E.U. Energy Commissioner Günther Oettinger, Ukraine and Russia failed on 15 June 2014 the latter halted its natural gas supplies to Ukraine the next day. Unilaterally *Gazprom* decided that Ukraine had to pay upfront for its natural gas. The company assured that its supplies to other European countries would continue. Ukraine vowed to "provide reliable supply of gas to consumers in Ukraine and we will provide reliable transit to the European Union." At the

time about 15 per cent of European Union's demand depended on Russian natural gas piped through Ukraine.

Early in March 2014 analysts had competed on announcing that, far from being impotent in the Ukraine crisis, the United States had a very important weapon: growing oil and natural gas production which could compete on the world market and challenge Russian dominance over Ukrainian and European energy supplies - if only the U.S. government would change the laws and allow this bounty to be exported.

But, there still is one very big problem with this view. The United States is still a net importer of both oil and natural gas. The economics of natural gas exports beyond Mexico and Canada - which are both integrated into a North American pipeline system - suggest that such exports will be very limited if they ever come at all. And there is no reasonable prospect that the United States will ever become a net exporter of oil.

U.S. net imports of crude oil and petroleum products are approximately 6.4 million barrels per day - mbp/d. This estimate sits between the official U.S. Energy Information Administration - E.I.A. numbers of 5.5 mbp/d of net petroleum liquids imports and 7.5 mbp/d of net crude oil imports. These data refer to December 2013.

The E.I.A. in its own forecast predicts that U.S. crude oil production - defined as crude including lease condensate - will experience a tertiary peak in 2016 around 9.5 mbp/d just below the all-time 1970 peak and then decline starting in 2020. This level is far below 2013 U.S. consumption of about 13.2 mbp/d of actual petroleum-derived liquid fuels.

So, one could ask: when exactly is the United States going to drown the world market in oil and thereby challenge the Russian oil export machine ? The most plausible answer is never. And, the expected 2016 peak in U.S. production is only about 1.5 mbp/d higher than the present production. That is really quite small compared to worldwide oil production of about 76 mbp/d. And there is no guarantee that the rest of the world is not going to see a decline in oil production between now and then. So much for the supposed U.S. oil 'weapon' taming the Russian bear.

But what about natural gas ? It is thought that America's great bounty of natural gas from shale could challenge the Russians. But it is not so. It is true that U.S. natural gas production

increased significantly from its post-Katrina nadir in 2005. But such up-trend has now stalled. U.S. dry natural gas production has been almost flat since January 2012. The E.I.A. reports total production of 24.06 trillion cubic feet - tcf for 2012 and 24.28 Tcf for 2013, a rise of only 0.9 per cent year over year.

And, here is a an unexpected difficulty: in order to ship U.S. natural gas to Europe or Asia, it must be liquefied at -260 degrees F - approximately equal to 126.7 degrees Celsius, shipped on special tankers and then regasified. The cost of doing this is about US\$ 6 per thousand cubic feet - mcf. So, the total cost of delivering US\$ 6 U.S. natural gas to Europe is around US\$ 12 per mcf. With European liquefied natural gas prices mostly below this level for the last five years, it is hard to see Europe as a logical market. Japan would be a better target for such exports with prices moving between US\$ 15 and US\$ 18 per mcf in the last five years. But a U.S. entry into the liquefied natural gas market could conceivably depress world prices and make even Japan a doubtful destination for U.S. liquefied natural gas. An additional problem would be presented by a significant price rise above US\$ 6. And, what if U.S. prices rise significantly above US\$ 6 ? Of course, all these calculations presuppose that the United States will have excess natural gas to export.

In these circumstances what is the use of sanctions other than a political one ?

As for Russia, there is more than one reason whereby it is interested in Crimea and the Ukraine just as there is more than one reason why the United States is so interested in the imposition of economic sanctions. One of the reasons is likely related to the potential for oil and natural gas reserves on and adjacent to the Crimean Peninsula and onshore in both eastern and western Ukraine, a topic which has received little attention from the world's media until the geopolitical situation in Ukraine started to heat up.

At the time of the U.S.S.R. the oil industry discovered indications of hydrocarbons, but productivity was poor. Flow rates were low and were considered sub-economic, given that the porosity in the fractured reservoirs was low. With recent advances in production techniques, the potential to produce hydrocarbons from these tight reservoirs has increased substantially, particularly with the use of 'fracking' to produce natural gas and condensate from shale reservoirs. 'Fracking' has resulted in many oil and gas wells attaining a state of economic viability, due to the level of extraction which can be reached.

These are two key areas for potential accumulations in Ukraine, offshore in the Black Sea around Crimea and onshore in both eastern and western Ukraine.

Ukraine State Service of Geology and Mineral Resources announced that shale gas reserves in the country totalled 246 Tcf. If this were the case, Ukraine alone would have just over half of the total gas reserves among all European nations which were not formally part of the Soviet bloc.

According to the United States Energy Information Administration, Ukraine has Europe's third largest unproved, technically recoverable shale gas reserves after Poland and France.

It is well known that, just before the ousting of the Yanukovich government, Ukraine was very close to signing a US\$ 735 million production-sharing with ExxonMobil and Royal Dutch Shell. The deal would have seen two wells drilled off the southwest coast of Crimea in the Skifska area.

Exxon/Mobil announced in early March 2014 that further activity on its Skifska licence was on hold until the political situation in Ukraine was resolved.

Shale gas in Ukraine is located in two main areas, Yusivska located in eastern Ukraine and Olesska located in western Ukraine. According to E.I.A.'s 2013 shale gas report, Ukraine has 128 trillion cubic feet - Tcf of natural gas and 0.2 billion barrels of oil in its shale gas fields located in the black shale of Deniepr-Donets Basin in eastern Ukraine, the basin which accounts for most of Ukraine's onshore petroleum reserves and the organic riche shales of the Carpathian Foreland Basin in western Ukraine.

In May 2012 Ukraine chose Shell and Chevron Corp. to explore and develop two potential onshore shale gas fields in eastern and western Ukraine.

In western Ukraine Chevron was initially to invest US\$ 350 million annually, with a total investment of around US\$ 10 billion. A 50 year production sharing agreement was signed in November 2013. The Olesska shale reserves, located in western Ukraine, are estimated to be about 53 Tcf according to the Ukraine government and could produce up to 350 Bcf - billion cubic feet annual.

At mid-January 2014 Chevron announced that it would start producing gas by the end of 2014.

Ukraine also signed a contract with Royal Dutch Shell to explore shale gas potential on the Yuzivska block in eastern Ukraine. This area is estimated to have between 71 and 107 Tcf of shale gas and Shell has made an initial spending of commitment of US\$ 200 million in the first stage of exploration and an anticipated minimum of US\$ 10 billion - possibly up to US\$ 50 billion over the 50 year life of the agreement. Shell expects to start production from the Yuzivska block in 2015.

Interestingly, in June 2013 Ukraine's Prime Minister Mykola Azarov claimed that Ukraine would be natural gas self-sufficient within ten years and that it would be able to export some gas as well by the mid-2020s. With Ukraine currently receiving over two-thirds of its natural gas from Russia and being Russia's second largest natural gas customer, one could wonder how much of a role recent oil industry activity in Ukraine and Crimea, in particular, have played in Russia's current political moves in the area. With major international oil corporations about to break Russia's near monopoly on natural gas in Ukraine, one could reasonably suspect that Russia and *Gazprom* would feel somewhat threatened. Looking at how many deals Ukraine has signed with multinational oil corporations, particularly American corporations, in the past two years, the timing of Russia's return to the Ukraine and American intervention in the situation seems more than coincidental.

The U.S. Energy Information Administration - EIA - Independent Statistics and Analysis periodically produces 'country analysis notes'. What follows is from a March 2014 analysis note about Ukraine.

Ukraine's geographic position and proximity to Russia explain its importance as a natural gas and petroleum liquids transit country. Approximately 3.0 trillion cubic feet of natural gas flowed through Ukraine in 2013 to Austria, Bosnia-Herzegovina, Bulgaria, Croatia, Czech Republic, Germany, Greece, Hungary, Moldova, Poland, Romania, Slovakia and Turkey.

Two major pipeline systems carry Russian gas through Ukraine to Western Europe - the *Bratstvo* (Brotherhood) and *Soyuz* (Union) pipelines. The *Bratstvo* pipeline is Russia's largest pipeline to Europe. It crosses from Ukraine to Slovakia and splits into two directions to supply northern and southern European countries. The *Soyuz* pipeline links Russian pipelines to natural gas networks in Central Asia and supplies additional volumes to central and northern Europe. A third major pipeline through Ukraine delivers Russian natural gas to the Balkan countries and Turkey. In the past, disputes between Russia and Ukraine over natural

gas supplies, prices, and debts have resulted in interruptions to Russia's natural gas exports through Ukraine, with the latest one occurring in 2009.

The 400,000 bbl/d southern leg of the *Druzhba* oil pipeline transports Russian crude oil through Ukraine to supply most of the oil consumed by Slovakia, Hungary, Czech Republic, and Bosnia. In 2013, about 300,000 bbl/d of throughput transited the pipeline. Russian crude oil and petroleum products also transit Ukraine by rail for export out of Ukrainian ports.

More than half of the country's primary energy supply comes from its uranium and coal resources, although natural gas also plays an important role in its energy mix. Ukraine consumed approximately 1.8 trillion cubic feet of natural gas in 2012, with domestic production accounting for approximately 37 per cent of the total at 694 billion cubic feet - Bcf. The remainder of supply is made up by Russian natural gas, imported through the *Bratstvo* and *Soyuz* pipelines.

In 2012 Ukraine generated a total of 185 billion kilowatthours (BkWh) of electricity. The country is heavily dependent on nuclear energy - its fifteen reactors generate roughly half of the total electric power supply. Fossil fuel sources (46 per cent) and hydropower (6 per cent) generate the remainder of Ukraine's electric power, with marginal volumes contributed by wind generation.

Most of Ukraine's primary energy consumption is fuelled by natural gas (about 40 per cent), coal (about 28 per cent), and nuclear (about 18 per cent). Only a relatively small portion of the country's total energy consumption is accounted for by petroleum and other liquid fuels and renewable energy sources.

In 2012 Ukraine consumed 319,000 barrels per day - bbl/d of liquid fuels, but produced only 80,400 bbl/d. The remainder was imported mostly from Russia, with smaller volumes originating in Kazakhstan and Azerbaijan. A payment issue caused Russia to halt crude oil deliveries to Ukraine's 56,000 bbl/d Odessa refinery in January 2014.

Recent discoveries of shale gas deposits in Ukraine provide the country with a possible means to diversify its natural gas supplies away from Russia. In January 2013 Shell agreed to explore an area which the government estimates holds about 4 Tcf of shale natural gas in

reserves. Current plans include development of shale gas resources for domestic consumption and exports to Western Europe by 2020.

Burisma Holdings Limited is a privately controlled oil and gas company with assets in Ukraine and operating in the energy market since 2002. To date the company holds a portfolio with permits to develop fields in the Dnieper-Donets, the Carpathian and the Azov-Kuban basins. In 2013 the daily gas production grew steadily and at year-end amounted to 11.6 thousand BOE (barrels of oil equivalent - including gas, condensate and crude oil), or 1.8 million m³ of natural gas. The company sells these volumes in the domestic market through traders, as well as directly to final consumers.

Burisma Holdings engages in oil and gas exploration and production. The company also engages in oil well drilling, production of liquefied natural gas, and undertaking geological studies. The company was incorporated in 2006 and is based in Limassol, Cyprus.

During 2009-2013 the flow rate of the Group rapidly grew. According to *Burisma*, by the end of 2013 it reached a daily production of about 11,600 barrels of oil equivalent. This is equivalent to about nine per cent of the current gas flow in the Ukraine.

In 2013 *Burisma* launched a major management restructuring, which should initiate a 'new period of growth' in the company's history. In the course of this restructuring the American investment banker Alan Apter was hired as Chairman of the Board of Directors with the task to improve the corporate governance of the company and to attract foreign capital. Apter has extensive professional experience from activities in Eastern Europe and the former Soviet Union.

On 12 May 2014 *Burisma* reported that an additional seat was set up in the Board of Directors for R. Hunter Biden, the U.S. Vice President's son. This caused an international media echo connection with the crisis in the Ukraine of 2014. Attention focused also on the Polish ex - President Aleksander Kwaśniewski and on Devon Archer, former campaign manager of U.S. Secretary of State John Kerry.

Mr. Biden will be in charge of *Burisma's* legal unit and to provide support for the company among international organisations. On his new appointment, he commented: "*Burisma's* track record of innovations and industry leadership in the field of natural gas means that it can be a

strong driver of a strong economy in Ukraine. As a new member of the Board, I believe that my assistance in consulting the Company on matters of transparency, corporate governance and responsibility, international expansion and other priorities will contribute to the economy and benefit the people of Ukraine.”

The Chairman of the Board of Directors of *Burisma Holdings*, Mr. Alan Apter, noted: “The company’s strategy is aimed at the strongest concentration of professional staff and the introduction of best corporate practices, and we’re delighted that Mr. Biden is joining us to help us achieve these goals.”

Mr. R. Hunter Biden is one of the co-founders and a managing partner of the investment advisory company Rosemont Seneca Partners, as well as chairman of the board of Rosemont Seneca Advisors. Mr. Biden has experience in public service and foreign policy. He is a director for the U.S. Global Leadership Coalition, The Center for National Policy, and the Chairman’s Advisory Board for the National Democratic Institute. Having served as a Senior Vice President at Maryland Bank N.A., former U.S. President Bill Clinton appointed him an Executive Director of E-Commerce Policy Coordination under Secretary of Commerce William Daley. Mr. Biden served as Honorary Co-Chair of the 2008 Obama-Biden Inaugural Committee. Mr. Biden is also a well-known public figure. He is chairman of the Board of the World Food Programme U.S.A., together with the world’s largest humanitarian organisation, the United Nations World Food Programme.

The Dnieper-Donets basin, known commonly as the Donbass and regarded as a historical, economic and cultural region of eastern Ukraine and southwest Russia, covers the Donetsk and Luhansk *oblasts* of Ukraine, and also Rostov *oblast* of the Russian Federation.

The people of the Donbass, the country’s gritty industrial region in the east, were not naive. They realized that gas pipelines crossing the border with Russia and the shale gas fields near Slovyansk - with a potential reserve of about 3 trillion cubic meters of gas - were the cause of constant tension between Russia and Ukraine.

But with pipes in their backyards or running right next to their homes, with their feet firmly on ground which stands over a vast shale deposit, they knew the struggle was not really over Ukraine itself. They were in the middle of a war about energy.

Depending on the political winds blowing between Kiev and Moscow, the Russian gas giant *Gazprom* cut off natural gas to Ukraine or turned it on again. The shale gas is an important potential source for Ukraine and possibly southeastern Europe. If it proves possible to tap, Ukraine hopes this supply would undercut *Gazprom*'s monopoly, a move which could change Europe's energy map and its political contours as well.

The Donbass, currently the most densely populated of all the regions of Ukraine - excluding the capital city of Kiev - lies in the hotly contested eastern part of the country and where a bloody civil war is raging, and is the major oil and gas producing region of Ukraine accounting for approximately 90 per cent of Ukrainian production and according to E.I.A. may have 42 Tcf of shale gas resources technically recoverable from 197 Tcf of risked shale gas in place.

The Ukraine government has decided to let no crisis or rather civil war go to waste, and while the fighting raged all around, Ukrainian troopers were helping to install shale gas production equipment near the east Ukrainian town of Slavyansk, which was bombed and shelled for three months and all but destroyed.

The people of Slavyansk, which is located in the heart of the Yzovka shale gas field, staged numerous protest actions in the past against its development. They even wanted to call in a referendum on that subject. Environmentalists are particularly concerned with the consequences of hydro-fracking, a method used for shale gas extraction, because it implies the use of extremely toxic chemical agents which can poison not only subsoil waters but also the atmosphere. Experts claim that not a single country in the world has invented a method of utilization of harmful toxic agents in the process of development of shale gas deposits. Countries like the Czech Republic, France and the Netherlands have given up plans to develop shale gas deposits in their territories. And so did Germany.

Which clearly makes Ukraine, potentially the last place with massive shale gas deposits and no drilling ban, quite valuable to those who want to develop a major source of shale gas, one which reduces Europe's reliance on Russian gas even more, yet one the future of which depends on one simple question: who controls eastern Ukraine ?

Because what better way to accelerate 'next steps' than to start drilling for gas in the middle of the Donetsk republic as a civil war is waging in all directions, and where public mood has shifted decidedly against the local 'separatists' in the aftermath of the MH-17 tragedy ?

Burisma Holdings has the right to develop the shale gas fields in the Dnieper-Donetsk basin of eastern Ukraine.

Perhaps Ukraine does not need Russia to take it down. The Kiev government is doing quite well destroying itself, most recently with a new tax code which doubles taxes for private gas producers and promises irreparably to cripple new investment in the energy sector at a time when reform and outside investment were the country's only hope.

On 1 August 2014 President Poroshenko signed off on a new tax code which effectively doubles the tax private gas producers in Ukraine will have to pay, calling into question any new investment, as well as commitment from key producers already operating in the country.

The stated goal of the new tax code - enacted by the *Verkhovna Rada* on 31 July 2014 with more than 300 votes - is to raise US\$ 1 billion, of which US\$ 791 million would go to fund the war effort in eastern Ukraine.

According to the local media, the new code will remain in force until the end of 2014 during which time gas drillers will be required to pay 55 per cent of their subsoil revenue for extracting under five kilometres. This is up from 28 per cent - which is a significant disadvantage to producers. Additionally, for any extraction beyond five kilometres, the tax will be 28 per cent - up from 15 per cent. This is a considerable improvement on an early version of the bill which called for a 70 per cent tax on gas extraction.

Ukraine may have some of the most attractive gas prices in the world - the only thing which could have possibly lured investors there - but the new tax law renders this irrelevant, especially considering that in European countries, the tax does not exceed 20 per cent.

The oil sector will also be hit with the new tax code, which increases rates to 45 percent for drilling under five kilometres-up from 39 percent. But it is the gas tax hike which will really cripple potential investment in Ukraine.

Private gas producers lobbied energetically against the new tax code, arguing that it will crush investment and force investors to re-think their commitment to Ukraine. They also argue that it benefits some members of the political-business *élite*, and has nothing at all to do with funding the war effort in the east. Instead, it is the next phase in the battle among energy

oligarchs to secure their interests in the dynamic political arena shaping up after the fall of President Viktor Yanukovich.

In an open letter sent to Parliament on 29 July 2014 a group of private producers stated: “The draft law may lead to a rapid increase in the tax burden on private gas producing companies, a significant decrease in project cost effectiveness in general (up to closing down due to unprofitability) and a general decrease in attractiveness of the Ukrainian market for foreign investors.”

The law is regarded by the oil men as dangerous to the long-term security of Ukraine. It adds little to the budget and discourages drilling and investment in the upstream oil and gas sector, as well as calls into question the ability to invest in Ukraine at all. Not many corporations would want to invest in a country which arbitrarily punishes investors who are creating value by increasing reserves and production, or who are paying taxes and employing hundreds of thousands of people. No one will invest in an industry with the risk that taxes will be double or triple within a few months, said the oil men. They pointed out that the bill had been drafted with a view to favouring key beneficiaries: energy magnates Rinat Akhmetov and Ihor Kolomoyski, who “either own oil or mining assets that were taxed immaterially and punitively taxed gas producers.”

At this point one could be entitled to doubt the sagacity of the Australian Prime Minister, Tony Abbott and his ministers. They might never have asked themselves whether the ‘Ukrainian crisis’ revolves around something that the American administration may value more than anything - despite its rhetorical proclamations about freedom for everyone and from everything.

What is at the foundation of the American administration in Kiev is nothing but a profound thirst for oil and the fear of losing the battle with Russia on the supply of natural gas to the European market.

It is known, perhaps even by some people in the Australian Establishment, that Russia has been engaged for years in the construction of what is referred to as the South Stream Pipeline, a 2,282 kilometres natural gas pipeline.

The pipeline is core to the larger battle being fought over the European markets between American and Russian interests. It may even have been a motivation behind Russia's annexation of Crimea.

It is a gigantic project: a US\$ 21.6 billion to connect Russia's gas reserves to Europe's markets. Europe relies on Russia for about 30 per cent of its natural gas - some countries more, some less.



Map of the South Stream pipeline planned route from Russia to southeastern and central Europe

The pipeline is due for completion in 2018 and its completion would be of decisive importance to Russia, which has the largest world reserves of gas. The most serious competitor is the United States.

According to the Bank of America Corporation, the United States is the world's biggest oil producer, after overtaking Saudi Arabia and Russia as extraction of energy from shale rock spurs the nation's economic recovery.

America's production of crude oil, along with liquids separated from natural gas, surpassed all other countries in 2014 with daily output exceeding 11 million barrels in the first quarter, the bank said in a report 5 July 2014. The United States became the world's largest natural gas producer in 2010, and the International Energy Agency confirmed in June 2014 that the country had become the biggest producer of oil and natural gas liquids.

It is evident that the United States is seeking both commercial advantage and political influence by gaining a foothold in Europe's oil and gas markets. Evidence comes, in part, from the targets the American administration has chosen to punish for Russia's annexation of the Crimean peninsula.

And the annexation of Crimea may just be a way further to guarantee the completion of the pipeline. All of this raises the question of how much the confrontation in the Ukraine is about who gain an advantageous position in the sale of natural gas, later of oil, to one of the world's biggest energy consumers: Europe.

Following the lengthy and costly disputes with Ukraine during 2005-2010, Russia began planning for the pipeline.

During the disputes, and when Russian gas flows through Ukraine were completely shut down on 7 January 2009, 18 countries ranging from large European Union members such as Germany to small ex Soviet Moldova were affected. In particular, Austria lost about 60 per cent of gas for domestic use, Germany 42 per cent, Turkey about 67 per cent, Greece about 82 per cent, Italy about 28 per cent, France about 24 per cent, Hungary about 60 per cent, the Czech Republic about 80 per cent, Slovakia about 100 per cent, Bosnia about 100 per cent, Serbia about 87 per cent, Bulgaria about 96 per cent, Poland about 47 per cent, Slovenia about 64 per cent, Croatia about 37 per cent, Macedonia about 100 per cent, Romania about 28 per cent, while Moldova had adequate gas reserves only for 48 hours.

Gazprom, Russia's state-run energy company, proposed South Stream as a way to circumvent Ukraine and ensure an uninterrupted, diversified flow to Europe. It found a willing partner in E.N.I. - National Hydrocarbon Agency, the Italian state-controlled oil and gas company, and seven other gas-hungry countries.

To understand how important South Stream is to Russian economic influence over Europe, one only has to look at some of the targets of U.S. sanctions against Russian or Russian-linked companies. Two of them were directly aimed at slowing down or stopping South Stream.

On 11 April 2014 the United States Department of the Treasury ‘designated’ seven individuals and a Crimea-based gas company as “contributing to the Situation in Ukraine and thus attracting sanctions.”

This was explained with reference to events of 18 March 2014. On that day, “the Crimean parliament passed a resolution to seize the Crimean assets of a subsidiary of a Ukrainian state-owned gas company which has drilling rigs off Crimea’s west coast and in the Sea of Azov. The assets were transferred to an entity with the same name, *Chernomorneftegaz*, and same address. The parliament’s resolution said that the takeover would include ownership of the region’s “continental shelf and the exclusive (maritime) economic zone.” *Chernomorneftegaz* is being ‘designated’ pursuant to [Executive Order] 13660 “because it is complicit in the misappropriation of state assets of Ukraine or of an economically significant entity in Ukraine.”

As a result of Treasury’s action, any assets of the persons ‘designated’ and being within the United States jurisdiction were to be frozen, and transactions by American persons or with the United States involving these individuals and entities were generally prohibited.

This U.S. Treasury ‘designation’ was followed by another on 28 April 2014, naming seven individuals and companies to be added to those listed by the Office of Foreign Assets Control of the Treasury.

Among the companies were: *Aquanika*, *Avia Group LLC*, *Avia Group Nord LLC*, *Cjsc Zest*, *Investcapital Bank*, *JBS SobinBank*, *Sakhatrans LLC*, *SMP Bank*, *Stroygazmontazh*, *Stroytransgaz* - all domiciled in Russia, *Stroytransgaz Holding* - domiciled in Cyprus, *Stroytransgaz LLC*, *Stroytransgaz OJSC*, *The Limited Liability Company Investment Company Abros*, *Transoil* and *Volga Group* - the latter domiciled in Luxembourg.

One most important of those companies was the group of *Stroytransgaz*, a subsidiary of which is building the Bulgarian section of the pipeline. The huge group is controlled by the Russian billionaire Gennady Timchenko, who happens to be a good friend of President Putin, and who had already been ‘designated’ on 20 March 2014. *Stroytransgaz* was forced to stop construction of the pipeline or risk exposing other companies on the project to the sanctions.

Timchenko, who built his fortune as co-founder of the oil trading company *Gunvor Group*, said that he sold his stake in *Gunvor* the day before his name was placed on the first U.S.

sanctions list on 20 March. Nevertheless, the new list, issued on 28 April, named Timchenko Luxembourg-based *Volga Group* holding company, as well as 10 businesses it controls, ranging from a mineral-water bottling company to industrial construction firms. Also targeted were three subsidiaries of *Bank Rossiya*, a previously sanctioned bank in which *Volga Group* holds an 8 per cent stake, according to the group's website. Another company controlled by Timchenko is *Transoil*, a Russia-based rail freight operator which specialises in the transportation of oil and oil products.

Another, and most important company 'designated' on 11 April 2014 was *Chernomorneftegaz*, literally 'Black Sea oil and gas', an oil and gas company located in Simferopol, Crimea. It was legally a subsidiary of Ukraine's state-owned oil and gas company *Naftogaz*. However, after the 2014 Crimean crisis it was seized by the region's parliament in the run-up to its annexation by Russia. As the name makes clear, the company owns the rights to the exclusive maritime economic zone in the Black Sea. The company is involved in the South Stream pipeline for the purpose of avoiding to pass through Ukraine and to go instead - quite south in the Black Sea - to Turkey

The European Parliament reacted with the 16 April 2014 Resolution on Russian pressure on Eastern Partnership countries and in particular destabilisation of eastern Ukraine. Unfortunately, the resolution which called for a halt to the construction of South Stream pipeline was one non-binding. Member states of the European Union need not feel bound by such a resolution. Clearly, its purpose was that of putting public pressure on Russia - no more.

Some countries complied, others did not. Several of them - those which will benefit from the pipeline - spoke out in support of construction or moved ahead with agreements to build it.

Italy was determined to proceed. On 10 July 2014 the Italian E.U. presidency declared itself in favour of the pipeline: "We think South Stream should go ahead, as it would improve the diversification of gas routes to Europe." said the Italian state secretary for E.U. affairs during a press conference in Brussels. He confirmed statements made by the Italian Foreign Minister while in visit to Moscow to meet with her Russian counterpart. The Italian minister said that the pipeline was "very important for the energy security of our country, as well as that of the entire European area", but stressed that the project should comply with E.U. law. On that

occasion the Italian minister invited President Putin to a meeting of Asian and European leaders in Milan in October.

Russian Foreign Minister Sergei Lavrov said during a press conference that Italy and Russia “confirm our goal on completing the construction project of the South Stream gas pipeline ... and to continue active work in order to remove all issues that may arise, including in regard to the dialogue with the European Commission.”

Work on the South Stream pipeline was halted in Bulgaria in June 2014 after the E.U. Commission said that it was in breach of the bloc’s energy and public procurement laws. Bulgaria still has close ties to Russia but is subject to pressure from the United States. Both have taken aim at its section of South Stream, which is where the pipeline will come ashore from Russia through the Black Sea. The European Union warned the Bulgarian government that its construction tender broke E.U. rules. The United States sanctioned the company which won the tender, *Stroytransgaz*.

Bulgaria cogently argued to the E.U. on 26 June 2014 that its position is legally sound, and that its economic stability is at risk without South Stream. Bulgaria has no other secure gas supply so “the national interest must be protected.” the Bulgarian Economy and Energy Minister said.

In the meantime, Bulgaria is hard at work to circumvent the U.S. sanctions. The government may hand the construction job to a subsidiary of *Gazprom* which is building the Serbian section. The Bulgarian government approved a US\$ 835 million loan from *Gazprom* to pay for it, secured by future revenue from the pipeline.

The European Energy Commissioner said at the time that the ongoing Ukraine crisis had also made the E.U. wary of going ahead with the project.

The pipeline would deprive Ukraine of transit revenues from the gas pipelines which cross its territory and bring about 80 per cent of Russian gas exports to E.U. countries. It would also enable it to cut off supplies to Ukraine to exert political pressure, without affecting its E.U. gas clients.

A former executive at Ukraine’s gas distribution firm *Naftogaz*, told newspapers that, together with Nord Stream, Russia’s recently-built pipeline to Germany, South Stream would

give Moscow “a 100 percent monopoly on shipments of gas to Europe from the east.” He added also that it would make it less likely that the E.U. will ever build a gas pipeline to the Caspian Sea, the so-called Southern Corridor, to diversify supplies.

On 24 June 2014 Russia and Austria have agreed on a joint company to construct the Austrian arm of the US\$ 45 billion South Stream project, which is expected to deliver 32 billion cubic meters of Russian gas to the country. The company will be 50 per cent owned by *Gazprom*, Russia's largest gas producer, and 50 per cent by Austria's *OMV Group*, the country's largest oil and gas company.

According to President Putin, South Stream is just a business venture facing ordinary commercial setbacks which have nothing to do with Ukraine. He claimed that the American administration was interfering, as Putin said after meeting with his Austrian counterpart on 24 June 2014.

The U.S. opposes the pipeline project because it wants to supply gas to Europe itself, President Putin said. “[The Americans] do everything to disrupt this contract. There is nothing unusual here. This is an ordinary competitive struggle. In the course of this competition, political tools are also being used.” said President Putin after holding talks with his Austrian counterpart, President Heinz Fischer, in Vienna.

“We are in talks with our contract partners, not with third parties. That our U.S. friends are unhappy about South Stream, well, they were unhappy in 1962 too, when the gas-for-pipes project with Germany was beginning. Now they are unhappy too, nothing has changed, except the fact that they want to supply to the European market themselves.” Putin stated. Should this happen, American gas “will not be cheaper than Russian gas - pipe gas is always cheaper than liquefied gas.” Putin stressed.

President Putin took the occasion to emphasise that Moscow is not bypassing Ukraine for political reasons. “These are natural steps to expand the transport infrastructure.” Putin said. “[Russia is not] striving to bypass Ukraine.”

He reminded that the Nord Stream, South Stream, and Blue Stream projects started a while ago. “It is wrong always to say that we are doing anything against anyone.” Putin noted. He added that Russia, just like its “partners”, can and will “create the most favorable conditions,

and have contacts and contracts with many partners.” Russia will continue “to promote our product in emerging market.” Putin stressed.

At the same time, Austrian President Fischer hailed the project, calling the South Stream gas pipeline “expedient” and “useful.”

The joint South Stream Austria project will be 50 per cent owned by *Gazprom* and 50 per cent owned by Austria’s *OMV Group*, the country’s largest oil and gas company.

Fischer stated that if anyone criticises Austria, they should also criticise other member countries and their companies. “I suppose that there will be no such moment when such a country as Austria will not be holding talks with a partner, which has intense relations with us, and will not be ready to negotiate with it.” President Fischer said. “We know such a dialogue does not contradict any EU decision.” he added.

Construction of the Austrian section is expected to begin in 2015. The first deliveries could begin in 2017, reaching full capacity in January 2018.

Of course, the United States has a massive commercial interest in selling natural gas to Europe. Thanks to the abundant supply brought by the domestic shale-gas boom, the U.S. may be able to export liquefied natural gas to European buyers in the near future. Already, the American administration has licenced seven export facilities; about 30 more are awaiting approval.

The U.S. shale revolution has been driving a dramatic restructuring of global natural gas markets, not only creating hopes for replicating the U.S. successes in similar shale formations outside the U.S., but also providing opportunities and incentives for moving “surplus” lower-cost US gas into higher-value global markets through liquefied natural gas exports. Almost two dozen U.S. liquefied natural gas export projects have been proposed and as many as another dozen have been proposed in Canada. Seven U.S. projects, with a total of about 9 bcf/d of export capacity - equivalent to more than 12.5 per cent of current U.S. natural gas production - have received full export approvals. Approved export project capacity could top 10 bcf/d by the end of 2014.

One of the approved projects is already under construction, with first exports expected by the end of this year.

Many of the proposed U.S. export projects will have significant cost advantages in that they are 'brown-field' which will leverage existing liquefied natural gas import infrastructure and will have tackled some of the important regulatory and permitting challenges. Some proposed projects on the U.S. and Canadian West Coast will also enjoy distinct transportation advantages into the premium Asian markets. In short, costs-of-supply will matter.

Not all the infrastructure to ship liquefied gas is yet in place, and the Serbian Prime Minister Alexander Vucic, a South Stream proponent, has ridiculed the idea of U.S. gas exports to Europe in a year or two as "fairy tales." Meanwhile, President Putin has pointedly said that piped gas will always be cheaper than the liquid form, and Russia has consistently claimed that Europe's gas bill will rise if it chooses alternatives besides its natural gas.

One should consider, in addition, that there is more than natural gas at play in Europe's energy future.

The American Administration is negotiating a Transatlantic Trade and Investment Partnership which could legalise American oil exports for the first time since 1975.

A document obtained by *The Washington Post* early in July 2014 revealed that the European Union is pressing the United States to lift its longstanding ban on crude oil exports through a sweeping trade and investment agreement. It is not entirely surprising. The E.U. has made its desire for the right to import U.S. oil known since the U.S. started producing large amounts of it in the mid-2000s. It signalled again at the outset of trade negotiations, and its intentions have become even clearer since.

This time, though, the E.U. is adding another argument: instability on its Eastern flank threatens to cut off the supply of oil and natural gas from Russia. "The current crisis in Ukraine confirms the delicate situation faced by the EU with regard to energy dependence." reads the document, which is dated 27 May 2014.

The disclosure comes in advance of another round of discussions on the treaty, which began during the northern fall of 2013 and is expected to encompass US\$ 4.7 trillion in trade between the U.S. and the European Union when it is finalised. That will not happen for several years - if ever, but knowledge of the E.U.'s position has inflamed the already-hot debate over whether to allow the U.S.' newfound bounty of crude oil to be exported overseas.

If the agreement were successful, American exporters would come into direct competition with Russia, which at per cent sells 84 percent of its oil and 76 percent of its natural gas exports to Europe.

If the standoff with Russia and 'western' countries reaches a point where the European Union is forced to cut trade with Russia completely, oil prices could soar above US\$ 200 per barrel, and gas prices would also rise steeply. Major economic downturns are associated with high energy prices.

Cutting off trade with Russia, the world's second largest oil exporter, would create a shortage in global energy supplies, which would have adverse consequences on to Europe. If Russian energy is banned from 'western' markets Russia would lose 80 per cent of its energy exports. Producing countries of the Organisation of the Petroleum Exporting Countries could fill in the market gap.

'Stage three' sanctions similar to those Iran experienced during the last decade would bar 'western' countries from all Russia-related business, including exports.

About a quarter of European countries completely rely on Russia for gas or oil supplies.

As of yet, Russia has not halted European gas supplied through politically unstable Ukraine, but this event itself could trigger 'stage three', or trade-specific sanctions.

Sanctions against Russia have been driven by the United States, followed by its vassal states like Australia, but Europe has been more reluctant to follow suit, since its economy is still fragile, and disruption with a close trading partner could further destabilise recovery. Russia is the E.U.'s third largest trading partner, and the largest economies, Germany, France and Italy have some of the strongest ties.

Presently the South Stream pipeline is projected to yield about US\$ 20 billion a year in income. With that much money at stake, the politics behind the armed confrontation in eastern Ukraine takes on a new dimension. And the real question remains: is the shooting war there part of larger, longer-term conflict, a continuing confrontation between the United States and Russia for global energy dominance ?

* * *

Down in thick fog

Answers to some further questions could clear the air. For instance

1. Is it correct that

- on 18 July 2014, in a morning interview with a Melbourne-based radio station, hence given the difference of time only hours after the incident, Prime Minister Abbott declared that it “seems certain” that the plane was brought down by a “Russian-supplied surface-to-air missile.”,

- that Mr. Abbott then proceeded to turn the political reality in Ukraine on its head, declaring: “What’s been happening for many months now is an attempt by Russia to bully a neighbour. Now this is just outrageous.”,

- that, implicitly calling for massive retaliation, Mr. Abbott declared: “I don’t say there are easy responses when a large and powerful country attempts to bully a smaller and less powerful neighbour.”, and

- that in a speech to Parliament hours later, Mr. Abbott warned that “the bullying of small countries by big ones, the trampling of justice and decency in the pursuit of national aggrandisement and reckless indifference to human life should have no place in our world.” ?

2. Is it correct that, following Mr. Abbott accusations of Russian “bullying of small countries”, the Labor leader Bill Shorten declared that “the missile that brought down MH17 - and the missiles that have claimed numerous other Ukrainian aircraft - could not possibly be made by the people who possibly fired them. These separatist terrorists are obtaining these instruments of murder from elsewhere. This must be investigated - and it must be stopped.” ?

3. Is it correct that soon thereafter Mr. Shorten issued a blanket guarantee of Labor’s support for any government retaliatory measures against Russia. As he said: ”Labor understands the difficulty and complexity of the decisions [Abbott faces],” and “there will be many

understandable calls for all sorts of action.” In particular, he indicated that Labor would support the Abbott government if it refused to allow Russian President Putin to attend the G20 summit in Brisbane this December ?

4. Is it correct

- that on 18 July 2014 the Abbott government summoned Russian ambassador Vladimir Morozov for a dressing down by Foreign Minister Julie Bishop,

- that Ms. Bishop reportedly insisted that Russia support a U.N. Security Council investigation into the crash, and demanded that Mr. Morozov answer whether Russian weapons could have been used to down the plane,

- that in a press conference following the meeting, Mr. Abbott denounced Mr. Morozov’s claim that responsibility for the crash rested with the Ukrainian regime in Kiev, and

- that Mr. Abbott warned that the events were a “test” for Russia and that its “whole standing in the world is at risk here.” ?

5. Is it correct that on 19 July 2014 the Labor leader Bill Shorten repeated his call for Russia to be excluded from the G20 talks, saying to journalists: “I put on record again, if the Russian Federation doesn’t co-operate and help us get to the heart of what has really happened in this senseless act of murder, the government should indeed consider not inviting the Russian President Putin to [the G20 Summit to be had on 15 and 16 November 2014 in Brisbane,] Australia.” ?

6. Is it correct that, by the end of July 2014, a number of Australian policemen were stranded in a war zone with the permission of Ukraine’s president, but without the authorisation of their parliament, while Australia and most certainly its government appeared to have stumbled into a conflict about which they knew nothing and not to care to understand ?

7. Is it correct

- that on 26 July 2014 Foreign Minister Julie Bishop and her Dutch counterpart Frans Timmermans returned to Ukraine to urge the Kiev government to recall Parliament and approve the deployment of armed Australian troops to the MH17 crash site, and

- that fifty unarmed Australian Federal Police officers and forty of their Dutch counterparts had left the Netherlands for Ukraine the day before, but under Ukraine's constitution no armed forces can enter the country without Parliament's approval ?

8. Is it correct that on 26 July Prime Minister Abbott tried to separate the downing of MH17 from the conflict itself. On that day, when asked at a press conference whether Australia would join the European Union in rumoured new sanctions, he replied: "There are two separate issues here: there's the issue of the geopolitics of Eastern Europe - and people have their opinions on that and some countries are taking action on that - and there's the issue of *Operation Bring Them Home* and my whole and sole focus is on *Operation Bring Them Home*." ?

9. Is it correct that, after Prime Minister Abbott announced a national day of mourning to be held in the near future, and ordered all government flags to be flown at half-mast on 19 July 2014, the choice of venue fell on St Mary's Catholic Cathedral in Sydney, St Patrick's Cathedral in Melbourne St Mary's Cathedral in Perth, as if they were the only places for a 'national day of mourning' which should be had at a public place, a non-denominational place, but in the case was insensitively forced in Catholic places of worship, with a sovereign abuse of the memory of those who were not, their families and more specifically of the many 44 Malaysian victims and their families ?

10. Is it correct that Australia found itself in the extraordinary situation of having moved Resolution 2166 before the United Nations Security Council, while Ukraine was in breach of the very provision "that all military activities, including by armed groups, be immediately ceased in the immediate area surrounding the crash site to allow for security and safety of the international investigation." ?

And there is more: who, whether on the Australian or Ukrainian side, advised the Foreign Minister that the deployment of unarmed Australian policemen to eastern Ukraine's war zone would, in fact, be possible ?

What advice did the Minister receive about the fragility of the government in Kiev ?

Why, during her visit on Friday 25 July, did the Minister not obtain from President Poroshenko a guarantee not to resume the offensive around the crash site ?

Did she know, or suspect, that Poroshenko would order the resumption of a campaign that would contravene the very Security Council resolution she had just triumphantly engineered in New York ?

Whatever the answer to those questions, the success of two Australian initiatives - the Security Council 2166 and the Australian Federal Police's grandiosely titled *Operation bring them home* - now ride on political and geopolitical considerations that go to the heart of the crisis: the mixed cultural and linguistic composition of Ukraine; and the unresolved geopolitical consequences of the Soviet Union's collapse, above all the eastward expansion of N.A.T.O. and the E.U. at the expense of Russian interests in Eastern Europe.

Operation bring them home has played well in the commercial media. But it is now manifestly putting lives on the line.

It is worth pointing out that this is not, in fact, an Australian-led mission. It is being led by the Netherlands, under the auspices of the Organisation for Security and Cooperation in Europe. But the O.S.C.E. is itself deeply involved in the current crisis. It will in time be a party to crisis talks in Belarus, brokered between Russia's ambassador to Kiev, Mikhail Zurabov, and former Ukrainian president Leonid Kuchma.

At no point in the current *Operation* has anyone in the Australian government stopped to explain the relevance of the MH17 crash site to Australia's broader national interests. Bringing back the bodies of Australian victims is politically attractive for a government which badly needs some positive media coverage. But is it actually in the best interests of Australia ? And is it worth risking the lives of Australian police officers ?

The Abbott government is overly fond of the language of the military, as its 'Boy's own' penchant for calling activities 'Operations' confirms. The feeling of *macho* goes with it. Even the sole woman is much of a *he man* in the mist.

There is still afloat an Operation for MH370 - the Malaysian airplane 'lost' on 8 March 2014 and believed to be somewhere in Indian Ocean; a three-star general is in charge of the Operation 'Stopping the boats' of asylum seekers and sending them to Australian concentration camps, and a former Air Chief Marshal, Angus Houston is in charge of *Operation bring them home*.

‘Does Abbott have a military-first instinct ?’ asked a lead column of Murdoch’s *The Australian* on 13 August 2014.

In the early days of the MH17 crisis Prime Minister Abbott wanted to put 1,000 Australian troops onto the crash site in conjunction with 1,000 Dutch troops. Nothing better testifies to his outrage at the event and his keenness to deploy Australian assets in a cause that affected Australians. This option remained on the table for a few days.

It was never going to be viable. Yet debate around this idea continued before Prime Minister Abbott was talked around and decided it was too dangerous and inappropriate an option. Putting Australian troops into that highly charged situation would have been far too risky.

However, it offers insights into Mr. Abbott’s approach to military issues: he is impatient with limitations relating to logistics and deployment. When Australians are involved Abbott wants to make a difference as soon as possible.

“Abbott’s every instinct - wrote *The Australian* - is to deploy Australian military and police assets and he needs to be persuaded by his advisers from such options.” He might have added that, on MH370 and *Operation sovereign borders* as well, Mr. Abbott also chose to get the military involved.

He can be seen hereafter at his ‘command station’. He would call it that, would he not ?



Prime Minister Anthony John 'Tony' Abbott showing the way

A very independent and highly acute observer of the provincial theatre - one who can see well through the fog - wrote to the *Canberra Times* on 9 August 2014.

“That foreign minister Julie Bishop would attempt to threaten Russia with further non-specific sanctions if it fails to accept responsibility for the MH17 disaster says everything about Australia’s eagerness to play cats-paw in America’s geo-political games, designed to enhance the west’s strategy of encirclement and isolation of Russia.

Never mind the fact that no-one, including America, has tabled a skerrick of evidence in support of the hysterical accusations made against Russia. Never mind credible reports suggesting that Ukrainian air force jets may have shot down the hapless airliner. Never mind the hollow pretensions of the Abbott government in claiming that it would pursue ‘truth and justice’ before pointing the finger.

And in mindlessly supporting our government’s criticism of Russia for responding in-kind to our own reckless and provocative behaviour, Opposition Leader Bill Shorten simply confirms

how all sides of politics in this country are beholden to American interests and just how weak is our real capability to forge an independent foreign policy geared to support our own national interests.”

And there are more questions:

11. Is it correct

- that the 7 August 2014 in *The New Straits Times* article, titled ‘US analysts conclude MH17 downed by aircraft’, lays out evidence that Ukrainian fighter aircraft attacked the jetliner with first a missile, then with bursts of 30-millimetre machine gun fire from both sides of MH17, and

- that the Russian army has already presented detailed radar and satellite data showing a Ukrainian Sukhoi-25 fighter jet tailing MH17 shortly before the jetliner crashed ?

12. Is it correct

- that *The New Straits Times* cited several sources to substantiate its position,

- that one was testimony by a Canadian-Ukrainian monitor for the Organisation for Security and Cooperation in Europe, Michael Bociurkiw, one of the first investigators to arrive at the crash site. Speaking to the Canadian Broadcasting Corporation on 29 July Mr. Bociurkiw said: “There have been two or three pieces of fuselage that have been really pockmarked with what almost looks like machine gun fire; very, very strong machine gun fire.”, and

- that another source the paper cited was an article of 3 August 2014, titled ‘Flight 17 Shoot-Down Scenario Shifts,’ by former Associated Press reporter Robert Parry. Parry wrote: “some US intelligence analysts have concluded that the rebels and Russia were likely not at fault, and that it appears Ukrainian government forces were to blame, according to a source briefed on these findings.” ?

13. Is it correct that both *The New Straits Times* cited retired Lufthansa pilot Peter Haisenko, who has pointed to photographic evidence of MH17 wreckage suggesting that cockpit panels were raked with heavy machine gun fire from both the port and starboard sides. “Nobody before Haisenko had noticed that the projectiles had ripped through the panel from both its

left side and its right side. This is what rules out any ground-fired missile.” ?

14. Is it correct

- that *The New Straits Times* report constitutes a powerful accusation not only against the Ukrainian government, but against the American administration and its allies in Europe and Australia

- that it was the Americans and, to some extent, the Europeans who installed the Kiev government through a *coup* in February 2014, and

- that they then deployed a series of intelligence operatives and Blackwater mercenaries who are closely coordinating the various neo-Nazi militias and National Guard units fighting on the ground in eastern Ukraine ?

These forces now stand accused not only of stoking an explosive political and military confrontation with Russia on its border with Ukraine over the MH17 crash, but of provoking the confrontation through the cold-blooded murder of 298 people aboard MH17.

15. Is it correct that on 9 August 2014, an article in *The New York Times* titled ‘Ukraine strategy bets on restraint by Russia’, mentioned the emerging neo-Nazi paramilitary role in the final three paragraphs:

“The fighting for Donetsk has taken on a lethal pattern: The regular army bombards separatist positions from afar, followed by chaotic, violent assaults by some of the half-dozen or so paramilitary groups surrounding Donetsk who are willing to plunge into urban combat.

Officials in Kiev say the militias and the army coordinate their actions, but the militias, which count about 7,000 fighters, are angry and, at times, uncontrollable. One known as Azov, which took over the village of Marinka, flies a neo-Nazi symbol resembling a Swastika as its flag.

In pressing their advance, the fighters took their orders from a local army commander, rather than from Kiev. In the video of the attack, no restraint was evident. Gesturing toward a suspected pro-Russian position, one soldier screamed, “The bastards are right there!” Then he

opened fire.”

and thus leading to the obvious conclusion that the neo-Nazi militias which surged to the front of anti-Yanukovich protests in February 2014 have now been organised as shock troops dispatched to kill ethnic Russians in the east - and they are operating so openly that they hoist a *Wolfsangel*, a Swastika-like neo-Nazi flag over one conquered village with a population of about 10,000 ?

16. Is it correct

- that the brutality of those neo-Nazis had surfaced again on 2 May 2014 when Right-wing toughs in Odessa attacked an encampment of ethnic Russian protesters driving them into a trade union building which was then set on fire with Molotov cocktails, and

- that, as the building was engulfed in flames, some people who tried to flee were chased and beaten, while those trapped inside heard the neo-Nazis liken them to black-and-red-striped potato beetles called *Colorados*, because those colours are used in pro-Russian ribbons, and shouting: ‘Burn, Colorado, burn’ ?

17. Is it correct

- that on 11 August 2014 Prime Minister Abbott arrived in the Netherlands for the purpose of thanking his Dutch counterpart for his leadership following the downing of MH17, while at the same time promising “everything is on the table” as he considered new sanctions against Russia. and

- that, in an interview with the Australia Broadcasting Corporation programme *AM* Mr. Abbott reiterated in a truculent mood his purpose of “certainly looking at tougher sanctions, I think the world is looking at tougher sanctions.” Adding “We certainly would anticipate tougher sanctions against Russia in the weeks ahead.” ?

18. Is it correct

- that Prime Minister Abbott had declared in an interview after his arrival at Rotterdam airport, “I will have an opportunity to talk to Prime Minister Rutte and his senior officials about just what needs to be done to ensure that the [ongoing] investigation is concluded and

the guilty are punished and justice is delivered to the grieving families of the 298 innocent people who were murdered on flight MH17.” and

- that, during that interview, Mr. Abbott said that pro-Russian militants are responsible for downing the aircraft over eastern Ukraine on 17 July ?

19. Is it correct

- that on 29 July the Veteran Intelligence Professionals for Sanity (VIPS) issued an open letter to President Obama calling him immediately to release the evidence on the Malaysian airplane downing in eastern Ukraine.

- that V.I.P.S. reminded President Obama of the lies that “the Reagan administration used ... its very accomplished propaganda machine to twist the available intelligence on Soviet culpability for the killing of all 269 people aboard KAL007. ... [and that] to make the very blackest case against Moscow for shooting down the KAL airliner, the Reagan administration suppressed exculpatory evidence from US electronic intercepts.” and

- that “Apparently, not much has changed,” the letter states: “*Time*’s cover this week features ‘Cold War II’ and ‘Putin’s dangerous game.’ The cover story by Simon Shuster, ‘In Russia, Crime Without Punishment,’ would merit an A-plus in William Randolph Hearst’s course ‘Yellow Journalism 101’.” ?

20. Is it correct

- that the Kiev government’s use of volunteer paramilitaries to stamp out the Russian-supported Donetsk and Luhansk ‘people’s republics’, proclaimed in eastern Ukraine in March, should send a shiver down Europe’s spine,

- that recently formed battalions such as Donbas, Dnipro and Azov, with several thousand men under their command, are officially under the control of the interior ministry but their financing is murky, their training inadequate and their ideology often alarming,

- that the Azov battalion, financed by billionaire oligarch and the appointed Governor of Dnipropetrovsk Oblast, Ihor Kolomoyskyi, is commanded by Andriy Biletsky,

- that Kolomoyskyi, Ukraine’s second richest man and the cofounder of Privatbank, is known for funding far-right, pro-‘western’ forces in the country,

- that he was the main financier of the UDAR party of boxer and Maidan protest leader Vitali Klitschko. Komolomoyskyi supported the opposition politician Yulia Tymoshenko and purportedly funded Oleh Tyahnybok, the head of the *Svoboda* Party, and that he reportedly provided US\$10 million to create the 2Dnipro Battalion in April 2014, and

- that the Azov men use the neo-Nazi *Wolfsangel* - Wolf's hook symbol on their banner and members of the battalion are openly white supremacists, or anti-Semites,



- that a former history student and amateur boxer, Andriy Biletsky is the commander of those men, while he also heads the Ukrainian parliamentary group of the Social National Assembly an extremist Ukrainian group called the Social National Assembly and its paramilitary wing, the Patriots of Ukraine, and

- that he has been known for writing in a recent commentary: “The historic mission of our nation in this critical moment is to lead the White Races of the world in a final crusade for their survival, “a crusade against the Semite-led *Untermenschen*.” ?

21. Is it correct that according to an official statement issued on 7 August 2014 by the head of Ukraine’s Secret Service, Valentyn Nalyvaichenko the MH17 was shot down “by mistake”, because “what the “pro-Russian rebels” were aiming at was a Russian Aeroflot passenger plane.” - ostensibly one carrying President Putin ?

22. Is it correct that the same Valentyn Nalyvaichenko confirmed that “the crime was planned as a ground for bringing of Russian troops into Ukraine, that is a *casus belli* for the Russian military invasion.” ?

23. Is it correct that, although it was known by 11 August 2014 that Russia and Ukraine had agreed on a humanitarian operation under the authority of the Red Cross, on 13 August 2014 the Australian Foreign Minister Julie Bishop claimed that “Any intervention by Russia into Ukraine under the guise of a humanitarian crisis will be seen as the transparent artifice that it is ... ” ?

At the end of August 2014 it was announced that Prime Minister Abbott would travel on an official visit to India and that, on his way back, he would stop in Malaysia for talks with Prime Minister Dato’ Sri Haji Mohammad Najib bin Tun Haji Abdul Razak.

“Australia’s defence ties with Malaysia are amongst our closest in Southeast Asia - Mr. Abbott was reported as saying - and we feel a deep connection to Malaysia given shared experiences arising from the MH370 and MH17 disasters.” he said, referring to the Malaysia Airlines tragedies.

Mr. Abbott was accorded an official welcome at *Dataran Perdana* - Putra Square in Putrajaya, a planned city, 25 kilometres south of Kuala Lumpur which serves as the federal administrative centre of Malaysia and where the seat of government was shifted in 1999 from Kuala Lumpur. That day, 6 September 2014, was the occasion for a reception with great fanfare.

According to *Wisma Putra*, which is another name for the Malaysian Ministry of Foreign Affairs, high on the agenda were to have been discussions on the status of the cooperation between the two countries in relation to the Malaysia Airlines flight MH370 and Flight MH17 incidents.

The two prime ministers were also scheduled to meet with Malaysian personnel who were involved in the MH370 and MH17 search operations to express appreciation for the work they had done.

Australia and Malaysia have signalled their intention to send investigators back to the MH17 crash site in war-torn eastern Ukraine before winter.

Prime Minister Abbott and his counterpart Mohammad Najib Abdul Razak agreed to intensify their efforts to recover any human remains still at the crash site and return them to their loved ones.

Investigators were forced to suspend their search in August as fighting around the crash site intensified.

It was envisioned they would return but a timeline was never set.

But there could be fresh urgency to get forensic experts back on the ground, with the Malaysian Prime Minister declaring that they would need “at least a few weeks” to scour the vast impact zone for any remaining evidence. “We intend to send our teams to the crash site as soon as possible.” he told reporters in Kuala Lumpur following a meeting with Mr. Abbott. “We are very, very keen to re-enter the crash site, especially before [the northern] winter sets in.”

The prime ministers agreed that obtaining further evidence from the site would be crucial for building a criminal case to charge those responsible for the attack. Australia continued to point the finger at Russia, accusing it of arming the separatists in eastern Ukraine suspected of downing the passenger plane.

Mr. Abbott said that it was likely there were still human remains at the crash site and the families of those who died deserved justice and closure. “We want to be absolutely confident that everything has been done to ensure that no one is left untended and alone.” he said.

One wonders whether Prime Minister Abbott discussed with the Malaysian Prime Minister a secret agreement in which Malaysia was not a party.

* * *

Beyond the fog

It was revealed on 23 August - two weeks before Prime Minister Abbott's visit to Malaysia - that on 8 August Australia, Belgium, the Netherlands and Ukraine had signed a non-disclosure agreement pertaining to data to be obtained during the investigation into the causes of the crash of MH17.

In the framework of the four-country agreement information on the progress and results of the investigation of the disaster would remain 'classified'.

This was confirmed at a briefing in Kiev under the auspices of the office of the Prosecutor General Yuri Boychenko. In his words, the results of the investigation will be published once completed only if a consensus agreement of all parties which have signed the agreement prevails. Any one of the signatories has the right to veto the publication of the results of the investigation without explanation.

Following the signing, the *Verkhovna Rada* ratified the agreement and allowed for the participation of Malaysian staff to participate in the investigation. No such ratification took place before the Australian Parliament. No Australian medium mentioned it.

International experts agree that the survey of the wreck of MH17 will take several weeks. The second phase of the investigation will involve searches pertaining to the remains of the victims of the crash of flight MH17.

Thus, it is safe to assume that the results of the investigation are actually classified and the final expert opinion will not be released or - perhaps, only after a few years, when the political causes of the disaster will lose their relevance.

It is worth noting, particularly as far as Australia - a sister-country of Malaysia in the Commonwealth of Nations, that the secret agreement could compromise Malaysia's defence in case of litigation to establish liability of the carrier for the death of passengers on board of an international flight in determinate circumstances and with reference to international aviation treaties.

Perhaps the most interesting comment on the downing of MH17, by one who was obviously not aware of the existence of such an agreement to withhold evidence came from Mr. Zhuge Li, an aircraft safety engineer from Malaysia.

In a piece for *mytelegraph* on 9 August 2014, which was subsequently shared by several on-line services, Mr. Zhuge Li began by stating the facts as officially seen by the countries affected by the event.

“According to the most widespread version [MH17] was shot down by a ground-to-air missile launched from SA-11 Buk anti-aircraft system, known as ‘Gadfly’ in NATO. It's worth mentioning that the plane diverted its course for some indefinite reason not long before the crash leaving its assigned air corridor.

The leadership of our country called for an objective investigation of the tragedy. International team of professionals is already working on the crash site. We need to have patience to wait for the results of all tests and examinations. Pity, but several countries spurred swift accusations. According to the US and the European leaders Moscow as well as pro-Russian rebels are to blame. “It is not an incident, not a disaster, but an act of terrorism,” Ukrainian President Poroshenko stated surely just two hours after the tragedy. Pro-Russian rebels have no doubt that the Ukrainian armed forces were involved. As for me, I would like to analyze the situation objectively, look into the facts and evaluate arguments presented by the sides.

US and EU arguments

The US Secretary of State, John Kerry, said on July 20 that the United States had irrefutable evidence that the Malaysian Boeing was shot down by the Buk system provided to the Ukrainian rebels by the Russian Federation. That's rather strange that the head of the US foreign-policy refers to the data published in social networks while the US has the most

powerful intelligence agencies in the world.

...

The US Administration held a special briefing due to this occasion. During the briefing some American intelligence representatives (whose names were concealed!) claimed that the airliner had been 'mistakenly' shot down by rebels who apparently had mistaken it for a military aircraft. At the same time, they represented no any technical information that would have reinforced the conclusion of the US Administration. Intelligence officials admitted that their conclusions were based on radio interceptions by the Ukrainians and photos posted in different social networks.

That's even more amusing given that American satellites as well Russian ones were over the territory of Ukraine at the very moment of the crash. The Russian Department of Defense suggested that the Americans should publish pictures taken by those satellites but the request went unheeded.

Contrary to the US Administration public statements blaming Russia and pro-Russian rebels in Ukraine a number of American intelligence analysts suggested that the responsibility for the disaster lies mostly on the Ukrainian side. They insist Washington lacks the facts proving that Russia provided the rebels with the Buk air defense system.

...

Arguments of the Ukrainian side

Ukrainian officials have also actively commented on the catastrophe blaming the rebels at first, then Russia, then both. The Ukrainian side released in the Internet and social networks a number of materials ostensibly proving the guilt of pro-Russian militias. Just within two hours after the passenger aircraft was downed an audio record of the alleged rebels' negotiations about the crash was posted in the web. However, the technical analysis experts found evident signs of audio cutting and audio layout in it. In addition, there was no any evidence provided that voices on the record belonged to rebels. In this regard, many Internet users agreed that these materials could have been premeditated by the Ukrainian side. Besides, authorities in Kiev distributed in social networks the video allegedly showing Buk launcher being transported from the crash area back to Russia. However, experts proved that

number 312 launcher was seen in a Ukrainian armored vehicles convoy in March 2014. More than that, Krasnoarmeysk city pictured on the video has remained under control of the Ukrainian law enforcers since May 11.

...

Ukraine also published photos displaying the anti-aircraft missile systems located on the territory the rebels' control. The Ukrainian officials tried to ensure that the pictures were taken by their own satellites. However, as we made it clear earlier only American and Russian satellites were over the Ukrainian territory at the time of the crash. Incorrect date, time, and location of shadows from objects as well the lack of cloud cover registered that day also proved that those photos were nothing but fake.

...

Their attempts to destroy the evidence at the crash site as soon as possible testify to the same thing. Since MH17 had been downed the Ukrainian troops kept on pounding the crash site despite the fact that there were no military infrastructure or rebels' roadblocks in the area.

Arguments of the Russian side

The Russians reject all accusations related to MH17 downing in the Ukrainian airspace. During the briefing on July 21 the Russian Department of Defense presented its objective control data over Boeing 777 crash. According to the data the airplane deviated from the route for 14 km over the area of armed conflict. At the same time Russian Defense Department detected a Ukrainian Air Force aircraft, presumably Su-25, at a distance of 3-5 km from [MH17].

In addition, Russian militaries made public satellite images depicting the Ukrainian air defense units located close to the crash area. So it's clear enough that MH17 route went just inside the hitting area of the Ukrainian anti-aircraft systems.

It is worth noting that the Russian side also refers to the statements of the Ukrainian officials. Thus, according to media reports, the Attorney General of Ukraine admitted on July 18 that the rebels had had neither Buk nor S-300 air defense systems.

...

At the same time, the Ukrainian forces had their anti-aircraft missiles installed in the area of conflict shortly before the liner's downing. For what purpose? The fact is that rebels have never possessed any aviation units.”

...

At this point Mr. Zhuge Li presented his view of the case:

“According to Ukraine, rebels possessed one Buk launcher capable to shoot down airplanes even at the height of 10,000 meters. As for the Buk anti-aircraft system, the Internet says that it is quite a complicated system consisting of four vehicles. So it’s hard to imagine how the launcher itself could ‘accidentally’ lock onto [MH17] and shoot it down without guidance and targeting station that detects the target within 150 km. A friend of mine, an air defense officer, told me an interesting thing. The Buk launcher hitting range is about 30-40 km. The militaries always use several missile launchers to destroy air targets as at a high altitude and speed (about 900 km/h) an aircraft stays in the hitting area of one launcher just for 4-6 minutes. I also can’t imagine how untrained personnel could acquire a target and hit it. And it is known that most of rebels are workers, miners, metallurgists, who are unlikely to have necessary skills to manage such a complex technique that requires special education and regular training. At the same time we are aware that the Ukrainian militarymen are skilled enough in such things. In 2001, Ukraine had sad experience downing a civilian aircraft by mistake. Siberia Airlines Flight 1812 from Israel to Russia was shot down over the Black Sea by the Ukrainian ground-to-air missile. Furthermore, it [was] Ukrainian air defense experts who were shooting down Russian military aircraft in the sky over Georgia in August 2008. And we know exactly that the Ukrainian Buk system was located near the crash site. In any case, Russians showed the satellite images proving it and Ukraine did not refute that. However, in my opinion, you need to find out who gains profit to determine who is really guilty. In this case, it’s obvious that [the MH17] crash brought huge benefits only to the Ukrainian side which sought for global support to reverse an unfavorable military situation in Donbas. Besides, keep in mind that the US was able to persuade the Europeans to introduce new sanctions against Russia only after the disaster.

However, I do not want to make preliminary conclusions. Once again I want to repeat, we must wait for the outcome of the international commission investigation.”

On 9 September 2014 the Dutch Safety Board issued the Preliminary Report on the investigation into the crash of MH17. The Preliminary Report presents factual information based on the sources available to the Board.

A draft Preliminary Report had been sent to the Accredited Representative of the states which participate in the investigation - Malaysia, Ukraine, the Russian Federation, the United Kingdom, the United States of America and Australia - for review. All Accredited Representatives provided a reaction. Observations from Australia are not available. The Dutch Safety Board assessed the provided suggestions and amended the Report where appropriate.

The Board expects to publish the final report within a year after the crash.

The Preliminary Report pointed towards external cause of MH17 crash.

“MH17 ... broke up in the air probably as the result of structural damage caused by a large number of high-energy objects that penetrated the aircraft from outside.

...

There are no indications that the MH17 crash was caused by a technical fault or by actions of the crew.

...

The cockpit voice recorder, the flight data recorder and data from air traffic control all suggest that flight MH17 proceeded as normal until 13:20:03 (UTC), after which it ended abruptly. A full listening of the communications among the crew members in the cockpit recorded on the cockpit voice recorder revealed no signs of any technical faults or an emergency situation. Neither were any warning tones heard in the cockpit that might have pointed to technical problems. The flight data recorder registered no aircraft system warnings, and aircraft engine parameters were consistent with normal operation during the flight. The radio communications with Ukrainian air traffic control confirm that no emergency call was

made by the cockpit crew. The final calls by Ukrainian air traffic control made between 13.20:00 and 13.22:02 (UTC) remained unanswered.

...

The aircraft was manned by a qualified and experienced crew.

The pattern of wreckage on the ground suggests that the aircraft split into pieces during flight (an in-flight break up). Based on the available maintenance history the airplane was airworthy when it took off from Amsterdam and there were no known technical problems.”

As for the pattern of damage, “ ... the available images show that the pieces of wreckage were pierced in numerous places. The pattern of damage to the aircraft fuselage and the cockpit is consistent with that which may be expected from a large number of high-energy objects that penetrated the aircraft from outside. It’s likely that this damage resulted in a loss of structural integrity of the aircraft, leading to an in-flight break up. This also explains the abrupt end to the data registration on the recorders, the simultaneous loss of contact with air traffic control and the aircraft's disappearance from radar.”

The Board emphasised that it would be presenting “the initial findings of an investigation that is still fully underway. More research will be necessary to determine more precisely what caused the crash and how the airplane disintegrated. The Board believes that additional evidence will become available in the period ahead. From this point on, the research team will start working towards producing the definitive investigation report.”

When the final version of the Preliminary Report was published it revealed that “Ukraine requested the Netherlands to conduct the delegated investigation. This was formally agreed upon, in writing on 23 July 2014.” (Preliminary Report, p. 3)

Already “On 18 July 2014 ... the National Bureau of Air Accident Investigation of Ukraine” had sent a notification of the crash. (*Id.*)

“On 21 July 2014 the [flight] recorders were handed over to a Malaysian official in Donetsk by representatives of the armed group controlling the area.

...

Immediately after the handover to the Dutch Safety Board, the recorders were transported to the Air Accidents Investigation Branch's laboratory at Farnborough, United Kingdom, accompanied by an international team of air safety investigators from Germany, Malaysia, the Netherlands, Ukraine, the United Kingdom, the United States of America and Representatives of the International Civil Aviation Organisation.

...

No evidence or indications of manipulation of the recorders were found." (P.R. p. 18).

"The pattern of damage observed in the forward fuselage and cockpit section of the aircraft was consistent with the damage that would be expected from a large number of high-energy objects that penetrated the aircraft from outside." (P.R., pp. 25 and 30)

The Dutch Safety Board has put together a useful Q&A on the background to its Preliminary Report.

It says: "The preliminary report provides an overview of the initial, provisional facts a relatively short time after the occurrence. When the report is released, not all investigation data will have been analysed and no definitive conclusions drawn. Additional investigation data, an analysis and the conclusions based thereon will be included in the final report, making it far more extensive and in-depth."

On the question of why it will not apportion blame, it says: "In addition to providing a clear understanding of the cause, the aim of the Dutch Safety Board's work is to increase safety. This is achieved by investigating the causes of an incident and - if possible - making recommendations to improve safety.

This is set out as such in the International Civil Aviation Organisation agreement, which deals specifically with aviation investigations ... Among other things, the I.C.A.O. agreement prescribes how aviation accidents must be investigated, and that the purpose of such investigations must be to improve safety and not to apportion blame or establish liability."

A separate criminal investigation into the crash is being carried out by the Dutch prosecution service at The Hague, involving 10 Dutch prosecutors and 200 police officers. In this case,

the criminal investigators have given no time scale as to when their investigation will be completed.

Preliminary though it is, the report deserves some comments.

For instance: satellite images are mentioned to help analyse the crash site after the disaster, but nowhere in the Report is there any mention of satellite images of missile launchers, intelligence from the United States regarding missile launches, or any information or evidence at all in any regard suggesting a missile had destroyed MH17. In fact, the Preliminary Report concludes by stating that the information available must necessarily be regarded as tentative and subject to alternation or correction if additional evidence becomes available.

With the black boxes in hand and a wealth of data from multiple sources both onboard the aircraft and from the ground in both Ukraine and Russia, the Dutch Safety Board seems still hesitant to draw any conclusions.

The Report specifically mentions information collected from Russia, including air traffic control and radar data - both of which were publicly shared by Russia in the aftermath of the disaster. The Report also cites data collected from Ukraine air traffic controllers. The United States however, apart from providing technical information about the aircraft itself considering it was manufactured in the U.S., provided absolutely no data in any regard according to the Report.

Had the American administration actually possessed any credible information to substantiate its claims that MH17 was shot down by a missile, such evidence surely could have been submitted to and included in the Dutch Safety Board's preliminary reporting. That it is missing confirms what commentators, analysts, and politicians around the world had long since suspected: the 'western' premature conclusions regarding MH17's demise were driven by a political agenda, not a factually based search for the truth. The evidence that MH17 was shot down by a missile as the 'western' governments insisted is missing - most likely because it never existed. That circumstance did not disturb the Australian government.

When Dutch investigators published their Preliminary Report, the 'western' powers merely reiterated its original claims, simply imposing their contradictory nature upon the Report

- most likely believing the public would never actually read its 34 pages. The United States and Ukraine have accused Russian forces of launching the missile, but Russia has denied the charge, pointing instead at the Ukrainian air force.

The Report came out at a time when the European Union is weighing new sanctions against Russia for its role in stoking the separatist revolt in eastern Ukraine. The nature of the sanctions were left unspecified after a meeting of E.U. ambassadors, but European diplomats had said earlier that the measures would target the Russian oil industry's ability to raise money on European capital measures.

However, their entry into force was delayed for a 'few days' according to a statement from Brussels, to leave time to assess the implementation of a tenuous ceasefire agreement in Ukraine, which was subsequently negotiated.

Because of earlier fighting around the MH17 crash site, the Dutch Safety Board investigators had been unable to visit the scene, but the organisation said it had carried out an investigation based on other sources of information. It added: "Once a secure and stable situation has been established, the DSB will visit the location. This is in order to verify the results of the investigation from other sources and to conduct a specific search for wreckage and other vital pieces."

The Dutch Safety Board preliminary findings lend themselves to two inferences: 1) the Ukraine resistance is very likely not guilty of the shoot down and 2) the insane hostilities towards Russia are based on a total misread of readily available evidence.

With all due respect to the Dutch Safety Board, they have not expanded their findings much beyond those of thirty year Lufthansa pilot Peter Haisenko. The pilot had access to a high resolution photograph off of the internet right after the crash, studied it, and concluded that: "The cockpit shows traces of shelling! You can see the entry and exit holes. The edge of a portion of the holes is bent inwards. These are the smaller holes, round and clean, showing the entry points most likely that of a 30 millimeter caliber projectile."

There was no mention of a missile, just "high-energy objects from outside the aircraft." That sounds like the "30 millimeter caliber projectiles" or similar projectiles fired from the cannon

of a fighter aircraft. It could be something else but the photograph and finding are compelling evidence. In addition, there is no mention of a missile bringing down the aircraft.

Therefore, the resistance militias maligned with the presumption of guilt by the American administration and its chorus in the European Union and in Australia seems to be off the hook. Since the photograph that Haisenko used was published right after the crash, the resistance should have been removed from the suspect list at that time.

Despite everything else, in a statement 9 September 2014, Prime Minister Abbott said that the explanation provided by the Preliminary Report was consistent with a surface-to-air missile.

“The findings are consistent with the government’s statement that MH17 was shot down by a large surface-to-air missile.” the statement said.

More research will be necessary, the investigators said, to determine the cause with greater precision. But Mr. Abbott had no doubt.

More cautiously, Malaysian Prime Minister Najib Abdul Razak said that he hoped investigators could return to the crash site in eastern Ukraine before the onset of European winter.

Malaysian investigators travelled to Donetsk in the days after the plane crash and negotiated directly with the Donetsk rebels to gain the handover of the plane’s two black boxes, which were presented to the delegation at a surreal press conference past midnight in the rebel capital.

The handover was negotiated when the Malaysian Prime Minister telephoned Donetsk’s self-declared prime minister, Alexander Borodai, a Russian citizen who has since left the government and returned to Russia.

Barely ten minutes after the crash happened ‘the West’ was told that it had been a Russian BUK system which had fired a ground to air missile to the plane. In fact, the world has witnessed an unprecedented push for war with Russia with N.A.T.O. exercising in Latvia, the Black sea area and Europe and Australia causing untold damage to the Russian economy with their economic sanctions.

The problem of course was that with the internet and the speedy dissemination of photos of the wreckage and the conflicting witness statements about at least one Ukrainian jet following flight MH17 at the moment of the crash it was always going to be a hard task to persuade anyone.

In fact the Russian Military released radar and satellite imagery information confirming that a Ukrainian SU-25 was following MH17 at the time of the crash with a distance of 3-5 km and that their inboard machine guns could hit a target up to 12 kilometres away.

In plain English ‘high speed objects’ or ‘outside objects’, especially if they are all of the same diameter, perfectly round and of a diameter consistent with bullets, are called bullets.

The problem with that of course is that to admit that the plane was downed by a jet - at least three witnesses told of a Ukraine jet following the plane - would be to admit that it could not have been a Russian BUK ground-to-air missile. It would mean that all the N.A.T.O. exercises had no bases other than the N.A.T.O. alliance wanting to have a scrap with Russia.

So, how are ‘western’ governments going to react to this news ? Are they going to demand an open transparent investigation ?

Claims of indirect Russian responsibility for the destruction of MH17 continue to be at the heart of the U.S.-N.A.T.O. propaganda over Ukraine, but the Preliminary Report says nothing of the sort. In fact, it does not even state that the aircraft was shot down.

The Preliminary Report states that, in accordance with the stated “sole objective” of “the prevention of similar accidents and incidents,” it does not “apportion blame or liability in respect of any party.” No more.

The only ground on which the media can again repeat their assertions that pro-Russian separatists were responsible is the Preliminary Report’s statement that “The damage observed in the forward section of the aircraft appears to indicate that *the aircraft was penetrated by a large number of high-energy objects from outside the aircraft.*” [Emphasis added]

But the Report never once specifies what it means by “high-energy objects.” It also claims that, even though enough of the wreckage was recovered to confirm that the aircraft appears to have been particularly badly hit *above the level of the cockpit floor*, the Board’s

investigators supposedly failed to recover or study any of the objects that penetrated the plane.

The Report fails to mention radar and satellite data presented on 21 July by the Russian military, indicating that a Ukrainian SU-25 fighter jet was in the immediate vicinity and ascending towards MH17 as it was shot down. Missiles and machinegun rounds fired by an SU-25 are also “high-energy objects.” This possibility has not been addressed, let alone refuted by the Ukraine government, the American administration or anyone else involved in the investigation. Despite Russia continually requesting that the American administration supply the investigation with the images and data it obviously possesses relating to the MH17 crash, it has refused to do so.

Silence was the preferred reaction.

Mr. Abbott felt comforted by *The New York Times* of 10 September 2014. The paper continues to call itself ‘a newspaper of record’, but on the downing of MH17 it has been misreporting, and misleading its readers from the day of the tragedy. It has continued to propagate anti-Russian sentiments in the United States and to support the Ukrainian government.

In an article titled: ‘Report finds missile strike likely in crash of Flight 17’ and datelined Brussels, two of *The New York Times* reporters wrote in their lead paragraph that “investigators, in their first account of the calamity, released evidence ... consistent with an attack by a surface-to-air missile but shed no clear light on who was responsible” They went on to write, on the basis of no evidence at all, that the Preliminary Report “...gave some indirect support to assertions by the United States and Ukraine that pro-Russian rebels shot down the aircraft with an SA-11, or Buk, surface-to-air missile.”

Both paragraphs are completely at odds with the Report. Nothing of the sort.

In fact, the Report makes absolutely no mention at all of an SA-11 missile being the cause of the downing. On the contrary, it states quite clearly:

"Noting that the investigation team has not yet had the opportunity to recover [the components of the cockpit and front of the plane] for forensic examination, photographs from the wreckage indicated that material around the holes was deformed in a manner consistent

with being punctured by high-energy objects. The characteristics of the material deformation appear to indicate that the objects originated from outside the fuselage."

And the investigators also wrote:

"The pattern of damage observed in the forward fuselage and cockpit section of the aircraft was consistent with the damage that would be expected from a large number of high-energy objects that penetrated the aircraft from outside." And no more.

There is no mention of a specific missile. This is important, because there are witnesses - eyewitnesses on the ground, and Russian radar records - which suggest that there were one or two Ukrainian fighter jets flying near the MH17 just before it went down.

Nowhere does the Preliminary Report suggest responsibility for the downing of Flight 17. Nowhere does it offer speculation or analysis which would eliminate one option or another as to what brought down the plane, or of who was responsible.

Later in the article, the reporters noted that Mr. Tjibbe H. J. Joustra, chairman of the Dutch Safety Board, "said in a telephone interview from the Hague that a final report would be issued sometime in the middle of next year and investigators hoped to clarify 'the type of object that penetrated the plane.' "

Clearly, that would mean that thus far investigators have no idea what or whose it was.

But *The New York Times* also took the liberty of reporting that what Mr. Joustra said implied that a BUK SA-11 missile was likely responsible for the downing were the separatist rebels - and thus the Russians by extension - were responsible for this reprehensible event.

In reality, even if it were established that the plane was downed by a Buk or SA-11, that conclusion would do nothing to solve the question of who launched it.

There remains the question of why on earth Russia, or the rebels, would have wanted to down a western civilian aircraft, thus bringing down the wrath of N.A.T.O. and the western public on them.

Vladimir Chizov, Russia's ambassador to the European Union in Brussels, said that the Preliminary Report shed no significant light on what had happened and said Russia, unlike

the West, had stayed interested in the fate of Flight 17. “Until today, it seemed as if the whole crash was forgotten for several months by everybody except Russia - and perhaps Malaysia.” he said. “There was silence.”

On the evening of 9 September 2014 Prime Minister Tony Abbott and Deputy Prime Minister Warren Truss - Leader of the Nationals - welcomed the Report’s findings and said they made it clear the tragic downing “was not due to aircraft malfunction or pilot error.”

“The findings are consistent with the Government’s statement that MH17 was shot down by a large surface-to-air missile.” said a statement by Mr. Abbott and Mr. Truss.

“The international community must remain focused on finding, prosecuting and punishing the perpetrators of this cowardly attack.

“We owe this to the innocent victims of the MH17 downing and their families.”

Mendacious pieties !

The sole mention of the Preliminary Report in the Australian press appeared in an article titled ‘Remains of more MH17 arrive in Australia’ and published on 11 September 2014. This is all it said: “The pattern of damage observed in the forward fuselage and cockpit section of the aircraft was consistent with the damage that would be expected from a large number of high-energy objects that penetrated the aircraft from outside, the Dutch Safety Board Report concluded.”

A national memorial service was held on 7 August in Melbourne, where Prime Minister Abbott told mourners MH17 victims would never be abandoned or forgotten.

“There will be a time to judge the guilty, but today we honour the dead and we grieve with the living.” he said at the service held in St. Patrick’s Cathedral. “We cannot bring them back, but we will bring them home as far as we humanly can.”

On 10 September 2014 Malaysia’s transport minister Mr. Liow Tiong Lai said those behind the attack must be punished. “I call upon the international community and all of those involved in the Ukraine conflict to seek justice and find the perpetrators who caused this brutal act of aggression.” Mr. Lai said. “As we mourn the loss of all 298 passengers and crew, we will not relent until those responsible are brought to justice.”

Prime Minister Abbott issued a statement in response to the Report, saying that the preliminary findings “make clear that the tragic downing of MH17 was not due to aircraft malfunction or pilot error.”

Then came a surprise.

On 15 August 2014 the Russian Union of Engineers made available its ‘Analysis‘ of the causes of the crash of Flight MH17.”

The analysis concerned itself with two main issues:

1. What are the circumstances of the crash?
2. Who could have been involved in the plane’s destruction?

As the Russian Report says: “A group of experts from the Russian Union of engineers was convened to analyze the situation, including reserve officers with experience in the use of anti-aircraft missile systems, as well as pilots having experience with aircraft weapons. This problem was also discussed at a meeting of the Academy of Geopolitical Problems, where many variants were tested and discussed again. In the course of their analysis the experts used materials derived from public sources, found in the media. The situation was also analyzed using a computer simulation of the Su-25.”

As a result of such work, the engineers offered the following analytical material:

“The general conditions in the air in the vicinity of Donetsk were discussed at a special briefing held 21.07.2014 by the Russian Defense Ministry on questions about the destruction of Flight MH17 while it was in the sky over Ukraine.

At the briefing, the Chief of the Main Operations Directorate, Deputy Chief of the General Staff of the Russian Armed Forces, Lieutenant-General Andrew Kartapolova presented in his speech objective monitoring data from the period 17.10 to 17.30 hours Moscow time.

During this period, in that air space, three civilian aircraft were operating regular flights:

- A flight from Copenhagen to Singapore at 17:17 [12.17];

- A flight from Paris to Taipei at 17:24 [12.24];
- A flight from Amsterdam to Kuala Lumpur.

In addition, Russian air traffic control recorded the ascent of a Ukrainian Air Force aircraft, presumably an Su-25, in the direction of the [MH17]. The distance between the SU-25 aircraft from the Boeing 777 was between 3 and 5 km.”

The Russian engineers Report continues:

“A detailed analysis of its fragments can provide a more complete picture of the causes of the crash. In reviewing the photos of the plane fragments presented on the Internet, you can see the different forms of damage to its shell or skin – tears and fractures, holes with folds on the outer and the inner sides of the fuselage, tell-tale signs of a powerful external impact on the plane.”

Attaching several pictures, the Report continues:

“Of particular note are the holes folded inward in the fuselage. They are round-bored, and usually grouped. Such holes can only be formed by metal objects with a circular cross-section, possibly rods or shells from an aircraft gun.”

And the Report notes:

“ The question arises: who could deliver such projectiles to the aircraft, by what means, and what might they look like ?”

The Russian Union of Engineers had studied those basic versions which have already been presented by experts from various countries. Taking into consideration the technical side of the issue, it concluded that they could assert that the [MH17] would have been destroyed by means of anti-aircraft weapons - either by ground-launched anti-aircraft missiles or by other aircraft armed with missiles and cannon. Using the methods of engineering analysis, the experts of the Russian Union of Engineers have looked at both of these versions, towards which practically all the pronouncements of experts and specialists converged.

The Russian Report devoted quite some space in considering the possibility that the MH17 was destroyed by an anti-aircraft missile system, for example, a Buk-M1.

The Report went on:

“ 6.1.4. The narrative detailing the use of the BUK-M1 Rocket complex, in the opinion of our experts, contains a number of issues which render it, as an accurate chronicle of events, open to doubt.”

Nevertheless, the Report considered the possibility at great length.

After a lengthy, technical discussion of the case that the MH17 might have been downed by a surface to air missile, the Russian Report concluded:

“That which has been written above renders doubtful the initial proposition that the [MH17] was brought down by the means of anti-aircraft missile fire from a BUK-M1 installation.”

It then proceeded to consider the alternative proposition: that the MH 17 was destroyed as a result of air-air rocket-cannon fire.

“ 7.1. In support of this version the following circumstantial factors can be observed:

7.1.1. There were many witnesses who reported in the sky, in the region where the Boeing crashed, a military plane (some witnesses report two), assumed to be a fighter, as reported, given the height and speed (Altitude of the fighter being 5000—7000 m, and the velocity 950 kmh). There were also reports of aviation noise in the sky. It is possible that these reports relate to MIG-29 or SU-29 aircraft.

...

The armament of the MIG-29 includes the single-barrelled cannon GSH-301 (30 mm, comprising 150 rounds, rate of fire 1500 rounds/minute) in the port wing root. There are six hard-points under the wing which can be utilised: for Air-Air combat: 6 R60 guided missiles or P-73 short range I/R guided missiles; 4 close range guided missiles and two mid-range guided missiles P-27PE with radio lock-on or P-27TE I/R guided system P-77.

Also according to the Russian Defence Ministry, on the 17th of July, Russian Air traffic control tracked an aeroplane, potentially an SU-25, of the Ukrainian Air force, climbing towards the [MH17]. The distance between the two aircraft did not exceed 3—4 km.

...

It must be noted that, in line with its specifications, the SU-25 is capable of briefly reaching heights in excess of 10 thousand metres. Standard equipment includes R60 Air to Air

missiles. These missiles are capable of engaging and destroying targets to a range of up to 10km with a 100% hit ratio up to 8 km. Accordingly it is not necessary for the aeroplane to closely approach the target – It will be sufficient to simply ensure that the distance to the target falls within the guaranteed limits of the missile.

7.1.2. The Russian Defense Ministry said that Russian military radar detected the ‘Dome’ Ukrainian air defense system battery ‘Buk-M1’, working, on the day of the Malaysian Boeing 777 disaster.

...

7.1.3. An SU-25 and MIG-29 appear identical on radar, insofar as they have similar sized reflective surfaces. The practical surface ceiling of a MIG-29 is 18013 m, thus the height at which the Malaysian airliner was travelling (10100 m) can be easily reached. The MIG-29 has two engines generating high thrust which allows the plane to reach speeds of up to 2000 kmh.

7.1.4. The meteorological conditions also support the narrative of the [MH17] being attacked by another aircraft. The weather conditions in the region of Donetsk city from 1500 – 1800 on the 17th July 2014 are characterised by rain and thick cloud. The route of the flight passes above the cloud base of the upper level. At this height only cirrus clouds are present. These are sparsely occurring, white fibrous and transparent clouds, occasionally with thick or flaky formations. These are arranged in the apparent bundles or strands stretching across, meeting at the horizon. The average height of the lower boundary of these clouds is between 7 to 10 thousand metres and the cloud layer can measure in width from hundreds of metres to a few kilometres.

An attack by a military plane swiftly ascending from the cloud layer could come as a surprise to the crew of the [MH17]. The attack would not be observable from the ground because of the thick layer of cloud at the medium and lower levels.

On this basis, the thesis can be advanced with confidence that the [MH17] flying a horizontal course at 10000 metres could quite feasibly find itself within range of the Rocket / Cannon armament of a fighter, either a MIG-29 or an SU-25.”

The Russian Report then considered the question: What weapons led to the destruction of the [MH17] ?

and proceeded:

“Both the MIG-29 and the SU-25 can be equipped with short range P-60M guided missiles.

...

The MiG-29 is equipped with a 30-millimeter GSh-301 cannon, firing at a rate of 1500 rounds per minute. This gun is loaded with 150 shells containing tungsten alloy. Its effective range for airborne targets is 200-800 m, for land-based targets, 1200-1800 m. This kind of projectiles pass through, leaving a track that is perfectly round in shape; they do not explode inside the cabin and are not incendiary, but they can kill the crew and destroy the cabin. The entry and exit holes exhibit a typical configuration. The entry holes show the edges pushed inside the opening; on the opposite wall, the edges are pushed outward.

...

The Su-25 is equipped with GSH-2-30 guns.

...

In addition the Su-25 may carry SPPU-22 containers with 23-mm GSh-23L dual-barrel cannons.

During combat both types of cannons are used against aerial targets to cause damage analogous to that seen on the wreckage of the [MH17].”

At this point the Russian Report concluded that:

“ ... according to the analysts from the Russian Union of Engineers, we have the complete destruction of the [MH17] as [a result of] missile systems using ‘air-to-air’ close-combat missiles as well as a 30-mm aircraft cannon or an SPPU-22 container with GSh-23L 23-mm dual-barrel guns. At the same time, when firing on a target, a laser range finder can be used, or a laser sight, that allows for significantly improved accuracy. This is indicated by the pattern of damage and the dispersal of the fragments: there are round holes, which are typically produced as a result of gun shots, and discontinuous holes characteristic of flechette rockets.”

Further analysing the debris, the Russian Report said:

“If we consider the first version of the crash, it is evident from the way the holes are arranged in the fragments of the flat surfaces and the fuselage that they do not reflect the typical picture of the impact of "Buk-M1" missiles, which would have left a very noticeable and characteristic pattern of damage marks. In this case, it is clear that there are no such traces on the debris fragments.

...

As far as the possibility of such damage resulting from close-combat ‘air-to-air’ missiles, it should be noted that the R-60 (Su-27) and R-73 (Mig-29) are low-power rockets for close air combat, with infrared guidance. Their kill radius is only 3-5 meters, and a sure hit requires direct contact. The mass of the warheads in the former case is 3.5 kg, in the latter, 5 kg. The warheads contain fine particles of tungsten wire. These are pretty weak rockets; they are designed exclusively for small targets. Such missiles follow the heat trail and are primarily designed to kill the engine.

It would be logical to assume that the damage shown in [the following photo] is more commonly associated with aircraft cannon shells of the GSH or SPPU type.

Damage to the Boeing 777 is not characteristic of the SAM “BUK-M1” missile

Повреждения плоскости «Boeing 777» не характерны для поражающих элементов ЗУР ЗРК «Бук-М1»

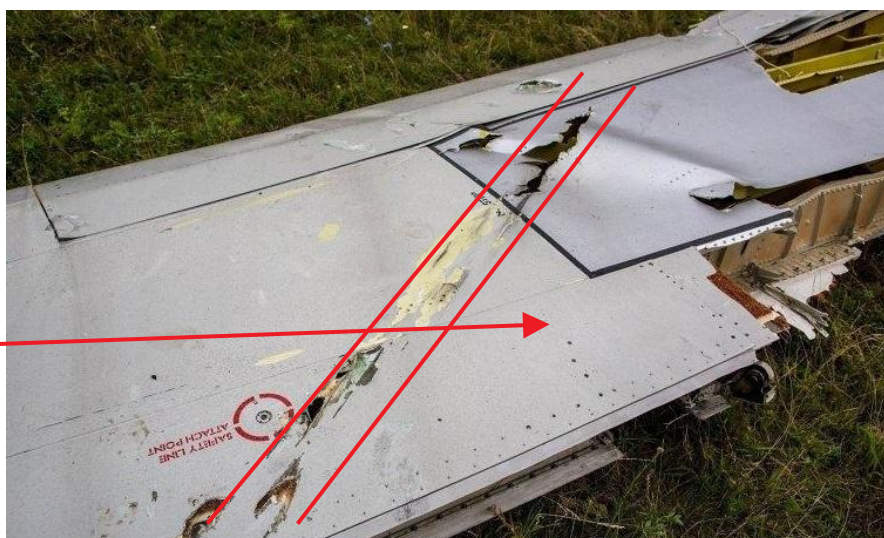


Photo 19. Damage to the flat surfaces of the Boeing 777
 Фото 19. Повреждения плоскости Boeing 777

As further shown in the following photograph,

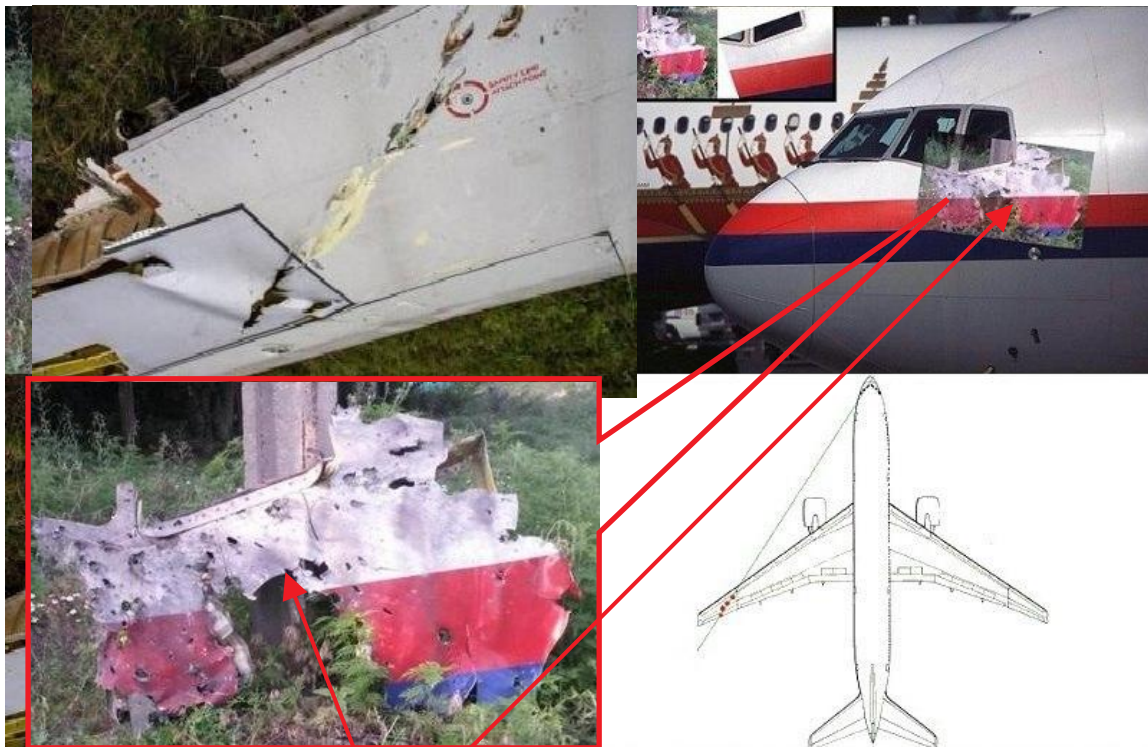
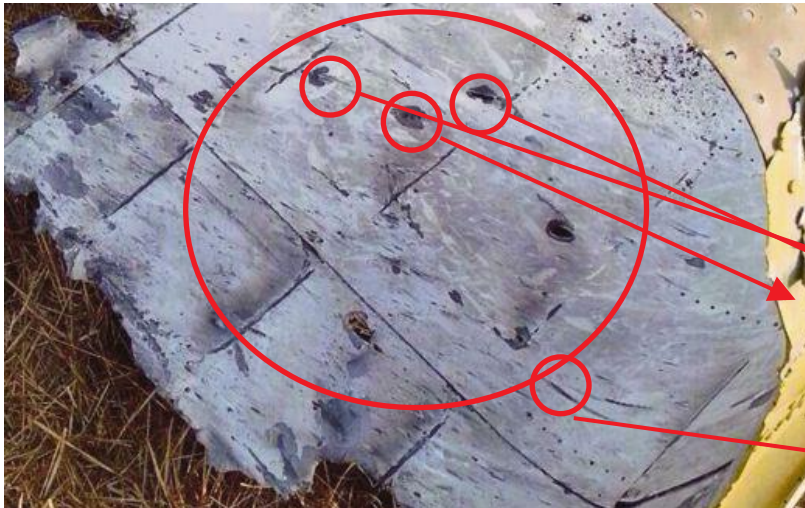


Photo 20. The nature of the damage to the cabin of the Boeing 777
Фото 20. Характер повреждений кабины Boeing 777

“The picture of the entry and exit holes in the cockpit of the [MH17] are fully consistent with the passage through the flight of shells from the 20-30 mm caliber guns found on military aircraft. [Emphasis added] This confirms the second version of what brought down the Boeing. This is further supported by the way the puncture holes are dispersed along the surface of the aircraft. The edges of the fragment of the fuselage from the left side of the cockpit are folded from the inside outward, which indicates that a significant blast occurred within the cockpit as a result of the dynamic impact of the shells on the right side.

On the trim panel the characteristic entry holes are visible as well as some exit points. The edges of the holes are bent inward; they are much smaller and are circular in shape. The exit openings are less clearly formed; their edges are torn outward. In addition, it is clear that exit holes broke through double aluminum lining and tilted it outward. That is, the strike elements ([judging] by type of impact - aircraft cannon shells) punched right through the cockpit. The open rivets were also bent outward.” [Emphasis added]

All this appears even clearer from the following photograph,



A fragment of the Boeing 777. Clearly seen are the entry holes in the outer layer, folded inward, caused by a 30-mm gun.

The inward folds are clearly seen, which are characteristic of this type of projectile.

The Russian Report went on:

“The general typology of the holes and their location suggest that is most likely the [MH17] was fired on using a GSh-2-30 aircraft cannon or an SPPU-22 container with dual-barrel 23-mm GSh-23L cannons: sighting was targeted in the area of the cockpit; while the shells that broke through the cockpit proceeded out the other side and caused damage to the flat surface of the wing (see photo 20). Both types of weaponry cause damage to aerial targets analogous to that seen on the fragments of the[MH17].

The nature of the holes on the fragments of the skin surfaces and fuselage shown on information networks allows us to assert that it was missiles/gunfire from an aircraft that was used.” [Emphasis added]

After a detailed reconstruction of the event, the Russian Report dealt with the party responsible for the death of 283 passengers and 15 crew members:

“On 17.07.2014, the armed forces of the self-proclaimed Donetsk National Republic had no relevant combat aircraft capable of destroying an aerial target similar to the [MH17], nor the necessary airfield network, nor the means of radar detection, targeting and tracking.

No combat aircraft of the Armed Forces of the Russian Federation violated the airspace of Ukraine, which the Ukrainian side confirms as well as third parties who conduct space surveillance over the situation in Ukraine and in its airspace.

To establish the truth, it is necessary to objectively and impartially investigate all the circumstances of the destruction of the [MH17], to interview the thousands of citizens who may have seen something. Naturally, experienced professionals should conduct the surveys. To ask the right questions - this is a rigorous science, and a great art in advancing the truth. Important information is contained in the wreckage of the aircraft and the remains of the dead, but this precise information is easy to destroy, distort and hide. And there are plenty of parties interested in concealing the real facts. As confirmation, Ukraine, the Netherlands, Belgium and Australia signed an agreement on August 8 providing that information about the crash investigation would be disclosed only upon the consent of all parties. "The investigation is ongoing, [utilizing] expertise and other investigative actions" – announced the Spokesman of the Prosecutor General of Ukraine, Yuri Boychenko. "The results will be announced at the conclusion of the investigation and with the consent of all parties that have executed the agreement."

Procrastination and the evasion of an objective investigation by all sides, with the participation of prestigious international organizations, raises doubts whether the concerned parties will make public the true circumstances surrounding the crash of the [MH17]."

* * *

‘Know-nothing’ diplomacy

On 20 September 2014 Ukraine’s former president Kuchma, speaking of the negotiations among members of a Contact Group - Russia, the separatists and the Kiev government - meeting in the Belarus capital, said that the implementation of a memorandum just signed was to start the following day.

The Contact Group had begun a new round of talks on 19 September. Kiev authorities and pro-independence fighters in southeastern Ukraine had agreed on complete ceasefire, establishment of the buffer zone, withdrawal of heavy weapons away from the contact line on both sides, and deployment of the Organisation for Security and Cooperation in Europe monitoring mission.

Representatives of Russia, Ukraine, the self-proclaimed Donetsk and Luhansk People's republics and the O.S.C.E. aligned positions and formulated a memorandum of nine provisions that will regulate the implementation of a ceasefire agreement between Kiev and independence supporters in eastern Ukraine. The agreement includes setting up a 30 kilometres buffer zone, a ban on over-flights of part of eastern Ukraine by military aircraft and the withdrawal of 'foreign mercenaries' on both sides.

The trilateral Contact Group had first met to discuss the situation on Ukraine on 5 September agreeing upon a ceasefire in east Ukraine which began that same day.

The five-month conflict has killed over 3,000 people so far, in addition to damaging Ukraine's economy.

But the Minsk agreement did not satisfy American Air Force General Philip Breedlove. He is the Supreme Allied Commander, Europe and thus the distant successor to General Wesley K. Clark already mentioned.

General Breedlove, speaking after a meeting with N.A.T.O. military chiefs in Vilnius, Lithuania, declared that truce was "in name only." N.A.T.O. has plans to bolster its military presence in countries bordering Russia, including the Baltic states, which used to be part of the Soviet bloc.

One need not refer to Georges Clemenceau and his famous saying "War is too serious a matter to entrust to military men" to advise General Breedlove to keep out of diplomatic matters. But General Breedlove is too important a person to be ignored; he is 'a big lifter' in the American administration.

On the evening of 22 September 2014 the Australian Foreign Minister, in complete lockstep with General Breedlove, went on television to express her contempt for the Russian Report and to repeat the usual propaganda against Russia. This might have been the first time that viewers were told of the existence of that Report. No matter - just propaganda, rubbish !

In different circumstances it might have seemed unusual for a person like Ms. Julie Bishop. Ms. Bishop came from a well-off South Australian family, was educated at a privileged private school in Adelaide, where she went to university and graduated in law in 1978. She should know the meaning of the word 'evidence'. After some years of practice as a barrister

and solicitor in Adelaide, she moved to Perth where she joined a prestigious law firm and easily climbed into the local well-society. In 1998 Ms. Bishop entered the federal parliament for the Liberal Party, of which she is now Deputy Leader and Foreign Minister.

Perhaps she destroyed the myth that bully-sm as a way of behaving belongs exclusively to Australian men.

When the fog does not lift, everything is possible in a vassalised place.

* * *

Of liars, war criminals, bullies and a Jesuit *manqué*

The entire Australian political Establishment seized on the tragic deaths of 298 people in the crash of MH17 in Ukraine to ratchet up the escalating U.S.-led provocations against Russia.

Before any investigation team reached the disaster site in eastern Ukraine, the Liberal-National Coalition government of Prime Minister Tony Abbott, followed by the Labor Party Opposition - the two wings of a decaying sub-tropical Westminster System - accused Russian-supported separatists in eastern Ukraine of shooting down the plane, and called for retribution against the rebels and Russia itself.

This irrepressible fanaticism must be seen under the long arch and in the light of post second world war political fortunes in the place. One third of that time saw at the government of Australia Liberal-National Coalitions - which incidentally are not liberal but backwoodsman's conservative, aided and blackmailed by the agrarian-socialists who are only concerned with their narrow privileges, though they call themselves National. Naturally !

There were first almost 17 sycophantic years of Menzies (1949-1966), an hallucinating monarchist who distinguished himself by lying to the Australian populace over a 'request' from Saigon's clique in 1962. That lie would cost the lives of 521 Australian boys and cause untold misery to the Vietnamese people. The requesting communication was never produced and/or found.

In time Menzies would be followed for 11 stultifying years by another boring monarchist, John Howard (1996-2007). He happened to be in Washington at the time of 9/11 and gave

prompt, obsequious guarantees to President G.W. Bush that ‘Australia would be there’ - in Afghanistan, first and then in Iraq. That war crime cost the lives of some 1,455,590 people, and caused the dispersions of millions of refugees.

The Abbott government - by far much more Right-wing than the previously mentioned, viscerally Anglophile and unflinchingly America-dependent than the previous ones - has committed 600 Australians to the new venture in the Middle East. The purpose of the new commitment - not to a war, of course, oh no ! - is to carry out a “humanitarian mission with military elements.” That amounts to much more than treble-speak. Humanitarianism is the pretence, not the purpose.

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