

the evening. Water is stored every morning in buckets for use during the day. Lviv is not the worst case. In Simferopol, for example, the capital of Crimea, apartments have running water for a few hours every other day. The water pipes of cities are many decades old. Nothing has been done to improve or modernize them since the early postwar period, when it was done as part of repairing war damage. In a city such as Lviv, which was almost undamaged in the war (this has fortunately preserved the city as an architectural jewel, one of the most beautiful in Europe), it is coasting on a water system installed before World War I by Hapsburg Austria, or from the interwar period of Polish rule.

The health service, if one wants to call it that, is even more deplorable. The standard answer to the question, what does one do if one gets ill, is, "don't get ill." Hospitals do not even have the most basic medicines, equipment and, in many cases, even basic furniture. Doctors, like almost everyone else, have been unpaid for months and will not treat a patient unless the patient pays; it is not uncommon that payment is demanded in dollars. What is also striking is that while those who have dollars can buy almost anything, the main exception tends to be medicines. In Lviv, for example, a city of about 1 million, simple things such as aspirin or other common over-the-counter medicines are almost unavailable in pharmacies, even for hard currency.

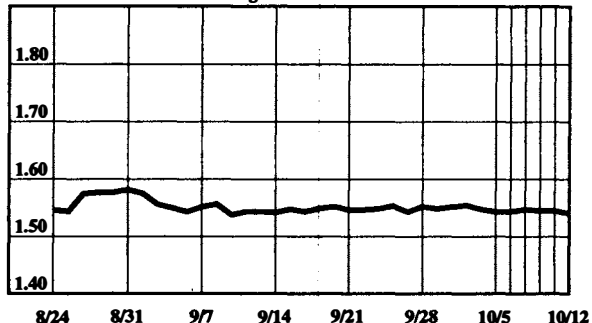
The economic situation for ordinary urban Ukrainians is worse than in Russia. This may come as a surprise based on what one sees on the street. In Ukraine, the crime rate, though rising, is still far lower than in Russia, and one sees far fewer public displays of drunkenness and abusive behavior. However, over the last year or so, hundreds of thousands of Ukrainians have gone to work in Russia, where wages are double or triple those in Ukraine. This includes industry workers, miners, craftsmen, engineers, scientists, and technicians. Such workers remit money to their families back in Ukraine. There is no flow of Russians going the other way. Till recently, this flow of workers to Russia was mostly from eastern and central Ukraine. Now, it has begun also from western Ukraine, something unthinkable even a short time ago, given the tremendous national pride of the region.

There is now a significant shift in mood in the population, including in western Ukraine. There is widespread yearning for economic stability; if this can be done with Russia, though not at the price of a return to Russian rule, in general people will accept it. The economy is *the* issue, and rightly so. In this sense, the winter may also result in new hope. The near-mortal scale of the crisis is causing many important individuals in institutions to seek to have the state adopt programs that will begin to rebuild the nation's economy. It is also becoming clear to many that failure to do so is courting social explosions with unpredictable consequences. Popular patience has been remarkable, indeed almost saintly, till now, in the face of the most appalling conditions of life. There are, however, limits to such patience.

Currency Rates

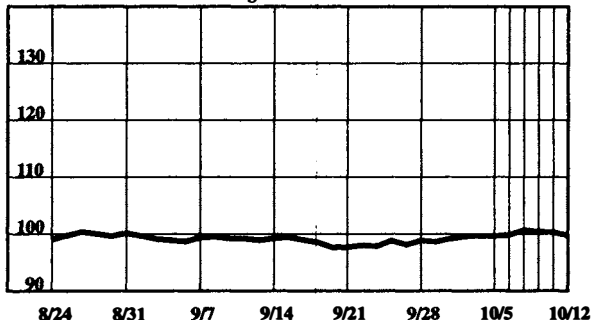
The dollar in deutschemarks

New York late afternoon fixing



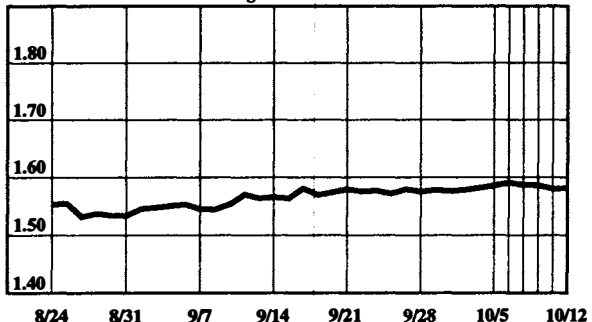
The dollar in yen

New York late afternoon fixing



The British pound in dollars

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing

