

Documentary film on Russian crime is presented in Washington

by Rachel Douglas

On a visit to Washington, D.C. between June 17 and June 24, Russian film director and member of the State Duma of the Russian Federation (Parliament) Stanislav Govorukhin shocked members of Congress and others with his 1993 documentary "The Great Criminal Revolution." The film not only depicts the perils arising from the impoverishment and crash criminalization of a nuclear superpower, but makes it difficult for any viewer to deny that these were caused by the particular brand of reforms carried out in Russia since January 1992, with the approval and often at the insistence of western governments and the International Monetary Fund (IMF).

Govorukhin himself said at a June 23 press conference that he should not be called a "critic of [President Boris] Yeltsin's reforms," because "to say that I don't like Yeltsin's reforms would be a little bit like saying I don't like Mr. Clinton's novels: Clinton does not write novels, and Yeltsin has carried out no reforms. . . . What the West calls reforms is simply the total looting of the nation."

The filmmaker encountered great interest during his visit, which was sponsored by the Schiller Institute. More than 250 people attended a screening of "The Great Criminal Revolution" at Georgetown University on June 20, and over 100 came to see it at the University of Maryland three days later. On Capitol Hill, Govorukhin was the luncheon guest of the House Republican Research Committee's Task Force on Foreign Policy, where parts of the documentary were shown. He also met individual members of Congress. Both congressmen and those who viewed the public showings voiced horror at "The Great Criminal Revolution."

Where crime pays

The film covers the two years after the breakup of the Soviet Union in 1991 and the proclamation in January 1992 of "free-market" reforms under Yeltsin's then-Prime Minister Yegor Gaidar. On the screen are Russia's *nouveaux riches*, the ex-Communist officials who got a leg up on amassing wealth when Gaidar decontrolled prices, and the mafia kingpins who became their fellow travelers to billionairehood through extortion rackets.

Zeroing in on Yekaterinburg, Yeltsin's home base, Govorukhin traces the events since Provincial Governor E. Rosel's 1992 request that local firms be allowed to export sur-

plus stockpiles of rare-earth metals from defense plants and use the hard currency earned "to solve social and economic problems." (See excerpts from film script, below.) But the proceeds benefitted high officials and the swiftly growing mafia, not the population.

In Khabarovsk, a city in Russia's Far East, Govorukhin interviews a local godfather so rich and powerful that citizens turn to him, not the government, to solve crimes and personal emergencies. Organized crime's replacement of the government is, in the film director's words, the hallmark of "a criminal-mafia state."

On the piers of St. Petersburg and Vladivostok, and at border crossings with Latvia and China, Govorukhin's camera recorded what the estimated \$40 billion per year in capital flight from Russia looks like: tons and tons of machinery, semi-processed metals, and even finished goods crushed to be sold as scrap at dumping prices.

Far from solving social problems, this looting has pulled thousands of Russian children into the criminal world. Children as young as nine years old are seen in "The Great Criminal Revolution" as couriers in the drug trade, washing cars on Moscow streets (having quit school at 13), boasting about their lives of crime and alcohol consumption, and robbing freight cars in the Far East. As train robbers, "Kids have the most success. There are some real aces. Each of them makes in a day more than a nuclear physicist in a year."

At Arzamas-16, the Soviet nuclear weapons center, physicists describe living in poverty after their labs were "thrown into the market," although they make no products they can legally or morally sell. "We are digging graves," one says, while Arzamas-16 physicians tell of performing surgery without bandages, rubber gloves, or medicines.

Did this have to happen?

"The destruction of Russia may seem profitable" to many in the West, Govorukhin said at his press conference. "But it seems to me that any gain is short term, because the consequences in the not-so-distant future could be extremely destructive for western civilization. The transformation of a huge portion of the planet into a zone of crime cannot fail to have an impact on the criminal situation worldwide."

Govorukhin arrived in the United States amid a surge of publicity about the growth of crime in Russia, in the *Atlantic*

Monthly, National Public Radio, and NBC television, among other media. CIA chief James Woolsey and FBI director Louis Freeh have each testified in Congress about Russian crime, while the FBI's Criminal Investigative Division is circulating a dossier called "Eurasian/Eastern European Organized Crime." In many of these studies and congressional hearings, the emphasis is on the security of Russia's nuclear weapons: Will Russia become "the next North Korea?"

"The Great Criminal Revolution" is of special use for such discussions, because it clearly shows cause and effect in Russian policy. For anybody genuinely concerned about the dangers of chaos sweeping Russia, it becomes obvious that the first step toward defusing those dangers is to reject the misery-breeding recipes of the IMF and seek ways for real economic development.

Current American ideological blocks to such a realization came up in comments made to Govorukhin during his Washington talks, about how "every country, every market goes through a criminal stage in its development." This is an argument often used to justify the narco-mafia-dominated "informal economy" to which desperate citizens turn for their subsistence, in countries where state-sector industries have been dismantled on demand from the IMF.

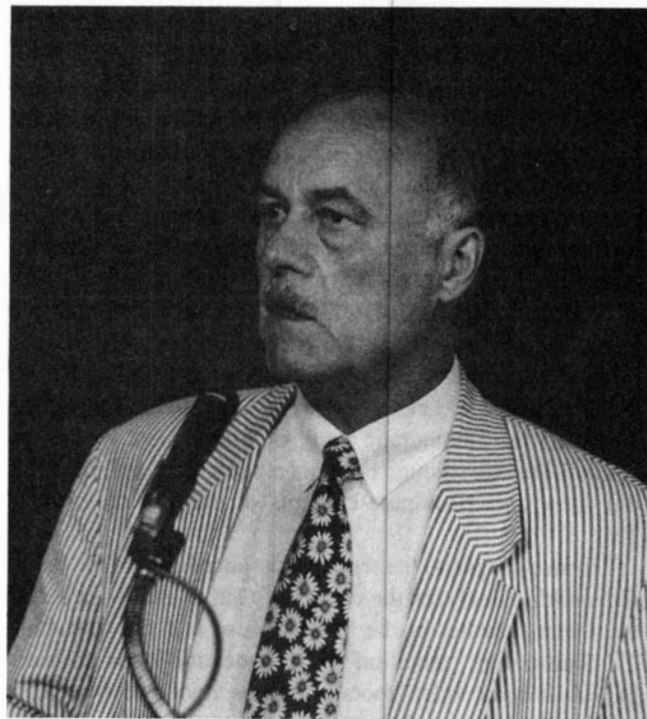
For his part, Govorukhin voiced the bitter anti-western backlash that swept the Russian political scene after Yeltsin ordered heavy artillery fire against the previous Parliament on Oct. 4, 1993 and met with approval from western countries. Despite the high turnouts for his film, Govorukhin said he thought U.S. officials "had no use for this information. . . . They do not want to know." In his view, "the West" as a whole has only sought to profit from Russia's destruction.

Asked what solutions he would propose, Govorukhin said at his press conference, "I'm a pessimist, and I think that all is lost. The only weak hope would be that in 1996, there actually might be democratic elections. It's a very weak hope, and, if I tell you the honest truth, I don't think there is hope. On a daily basis, the new regime is violating even their new Constitution. The country is being run, not by the Constitution, but by presidential decree."

A best-seller

Govorukhin was a popular director before he entered politics. The great success of his "The Rendezvous Cannot Be Changed" vaulted him to national fame in 1979.

In 1988, in Govorukhin's words, he "struck out into unfamiliar territory for me (as well as for the rest of our filmmakers)—the genre of the documentary political pamphlet." In the spring of 1990, his documentary on the impoverishment of Russia and the criminalization of the young generation, "This is No Way to Live," influenced public opinion and members of the Russian Republic's Supreme Soviet in favor of Boris Yeltsin's election as Chairman of the Supreme Soviet, an outcome Govorukhin actively sought. (One year later, Yeltsin was elected President of



Russian film director Stanislav Govorukhin speaks at a Washington press conference, introducing his film "The Great Criminal Revolution."

the Russian Republic.)

In 1992, Govorukhin traveled to Vermont to film one of the few interviews granted by Russian writer Alexander Solzhenitsyn during his long exile in the United States. The resulting two-part film, "Alexander Solzhenitsyn," was aired on Russian television, being the first reintroduction of the writer to the Russian people since his expulsion from the Soviet Union in 1973.

His earlier films, Govorukhin said, were promptly shown in theaters and on TV, even the controversial "This Is No Way to Live." But now, when he is in opposition to Yeltsin's regime, state-controlled Russian television channels have not shown "The Great Criminal Revolution." (This contrasts with the generous publicity accorded oppositionist Vladimir Zhirinovskiy, whom Govorukhin characterized as a provocateur who has helped Yeltsin not only directly, by supporting his new Constitution, but by enabling Yeltsin's group to say: "We may be bad, but if not us, then Zhirinovskiy!")

"At a certain point in working on the film," Govorukhin has explained, "it suddenly dawned on me that our film was going to be hopelessly late. I do not mean that in three or four months it would cease to be topical and its contents would no longer be of interest to the audience. No, it would be too late, because the situation with glasnost was deteriorating so rapidly, we were going backwards so fast, that it was entirely possible that by the time the film was done, there would be nobody to show it to. Nowhere and nobody."

He decided to transform his film notes into a book, which was under way when Yeltsin issued his Decree of Sept. 21, 1993, abolishing the elected Parliament of the Russian Federation. The author wove into his narrative the events from that date through the shelling of the Parliament building by heavy artillery on Oct. 4, which ended the deputies' resistance to the decree. He obtained dramatic eyewitness interviews with deputies and Parliament staff members who were inside the building when it burned.

The book version of *The Great Criminal Revolution* sold out a first edition of 100,000 copies and was serialized in regional papers, for a total readership in the millions. Before the December 1993 elections, when Govorukhin entered the Duma on the Democratic Party of Russia slate headed by Nikolai Travkin (though he is not a party member), the DPR did show two 10-minute excerpts of the film on national TV.

In an epilogue to the second Russian edition of the book, Govorukhin analyzes the events of Oct. 3 and 4—whether the violent clashes at the White House and the Ostankino TV Studio were “rebellion” or “provocation”—on the basis of voluminous video footage he has reviewed (see *EIR*, March 25, 1994, p. 51). He plans to make the September and October 1993 events the subject of his next film.

Documentation

Made for television, Stanislav Govorukhin's "The Great Criminal Revolution" is in three parts totalling 150 minutes. Following are excerpts from the film script, translated from Russian by Rachel Douglas.

From Part I, 'Russia: Wholesale and Retail'

All the piers in all the ports of Russia are literally overflowing with freight—to be shipped abroad. Timber, metal, rolled metal, non-ferrous metals. Commercial firms purchase all these goods from the producers for rubles and sell them abroad—for dollars. At dumping prices that earn nothing for the state.

The market is flooded with Russian metal. There is especially a lot of aluminum, for some reason. Do we have a surplus? No, our country is rich in mineral resources, but we do not have any bauxite, the ore from which aluminum is made. We derive our aluminum from alumina, practically from clay. This is a very expensive process. We import pure bauxite from China and Guinea. Imagine: Thousands of freighters carry the ore, then it is shipped across the country by rail, and finally the ore arrives at the factory. We produce the aluminum, the commercial firms buy it up, and then the same picture all over again—the trains, the steamers. The aluminum departs abroad.

Why not put a stop to this process? Because it's not profitable to stop it. Thousands of people live off this operation, from the high-ranking government official or even cabinet member who issues the license, down to the small fry who opens the door to his superior's office.

Treasures of the past, works of art—but of course chiefly oil, fuels, non-ferrous metals—all this goes to the West through the countries of the Near Abroad. Earlier, caravans of cargo streamed out almost totally in the open. Now our border guards have managed to detain some of it—most of all, copper. . . . We observed this madness everywhere, at all the customs points on the border with the Baltic countries. All of these metals are called strategic raw materials. “So what?” you might think. But if there should be, God forbid, a war, we would quickly realize what this means.

Estonia now occupies fourth place in the world, in the export of nonferrous metals. Without having one gram of ore deposits of its own. It all comes from contraband and massive thievery. This little country, whose respectable history evokes nothing but sympathy, in the space of two years has turned into a professional fence. . . .

We have just scratched the surface of the looting of Russia; already there are many questions. Not only metals, oil, rare-earth elements, and gold are streaming across the border. Everything goes. Running ahead of our story, I will read you two lines from a contract, whereby the Krasnokamensk firm Centaur would supply the Chinese side 18 KamAZ trucks in exchange for 53,000 packets of chewing gum—18 tons! 18 KamAZes for 18 tons of gum. So when you buy gum for a child, you should realize that you have paid for it twice—the first time, when we built the KamAZ plant. Do you remember how the entire country mobilized for that? It's a typical example of our barter: The main thing is to draw up a contract that is the least profitable for Russia. The less advantageous it is, the greater the sum of the deal being made on the side, under which the buyer deposits a certain sum of dollars in the seller's bank account abroad. Has no one tried to estimate the total deposits of Russian citizens in foreign banks? They have tried.

I will read you a document—a surviving one. The rest burned in the Supreme Soviet building on Oct. 4, 1993. There was a fascinating archive there.

“On Feb. 18, 1992, [Yegor] Gaidar signed an agreement with the American private investigators' firm Kroll Associates, which undertook to determine the funds of Russian individuals and companies on deposit abroad. In March, Kroll was paid \$1.5 million as an advance. But no results of the Kroll firm's work could be found at law enforcement agencies or in the hands of the government.”

That is a report from the prosecutor general's special commission. So what do we have here? Nothing: no million and a half dollars, no results of the work. But I think that the American detectives did their job, drew up a list of people having large deposits abroad, and handed the list to Gaidar.

I can well imagine his face when he saw the names! They say that Gaidar was not looking for that money; he was looking for Communist Party funds. They were looking for party funds, but they found themselves!

The main argument of the apologists for the new order is this: "Look, the shops have everything. It's expensive, but it's there." Not just expensive—very expensive. We have just shown you the cost of this abundance. What we are wasting and shipping abroad does not even belong to us. It belongs to our children. We shall leave them barebottomed and hungry, without deposits of ore, without forests, without oil, without technology. And they work only to pay the interest on the credits we lost down a bottomless hole. That is the secret of this abundance. And it could end very fast, as soon as Russia is completely looted. The secret of abundance is just one thing—the country should work well. But our country is not working and *will* not, until the situation changes fundamentally. It must become profitable to work and dangerous to steal. At present it's the reverse: It is profitable to steal, the state abets thievery and even pushes people in that direction. In two years, the state has created, in the guise of a class of property-owners, a class of thieves.

From Part II, 'Criminal Russia'

Yekaterinburg is a city teeming with business. Strange business. As soon as we set up our camera on a busy street in the city center, two guys came out, all pumped up, and asked "Who are these people? Who gave permission?" They made threatening gestures. They could have smashed our face in. . . .

Last year the boss of the city's Central group, Oleg Vagin, was killed. Coming out of a doorway with three bodyguards, he was shot at pointblank range by masked men with submachine guns. Vagin was by no means underground. His hideout was not in the Ural taiga, but he lived in a prestigious building, where Governor of the Province Rossel lives. Next door lives the brother of the President of Russia, Mikhail Yeltsin.

Security personnel showed us the video "Vagin's Funeral." [It shows] thousands of young people, the strong, well-trained, reliable footsoldiers of the country's criminal army. We call them "the pit bulls." I hope those amiable dogs will forgive us for using the term. Every city has its army of pit bulls. Stop anywhere on the street and look around—you'll pick them out of the crowd. They are all dressed alike, the same hairstyle, they are about the same age. It is a well-organized force. It has been created over the past two years as a powerful support base of the regime.

These youngsters will never get a real job, they will never learn to operate a bulldozer, or a machine tool, or put their nose to the grindstone of science, or defend the Motherland. They have discovered what easy money is, and they know the sweet taste of blood.

What happened in Yekaterinburg? There is a prehistory

to it. At the beginning of 1992, the chief of administration of Sverdlovsk Province, Rossel, requested permission from the government to export the surplus stockpiles of rare-earth metals and other precious metals, which resulted from defense industry conversion. It was proposed that the hard-currency earnings from these exports be used to solve the region's social and economic problems. Rossel's request was considered promptly. (This was not some walk-in, but a fellow townsman of the President.) Here are the minutes of a government session run by Burbulis (who also hails from Yekaterinburg; he taught scientific communism here). They considered the request, they resolved to help and said, take the stuff, sell it, and solve your social and economic problems. For convenience, they even opened an international airport in Sverdlovsk. It all began with that "trivial" request.

Vanadium—5,000 kg; gallium—5,000 kg; scandium—3,000 kg; zirconium, niobium, tantalum, indium—1,000 kg; osmium—50 kg. Incidentally, the international market price of a gram of one isotope of osmium is as high as \$150,000. For one gram! And here you have 50 kilograms. Lutecium, cerium, yttrium, terbium.

The strategic reserves of our homeland began to flow to the West. At first a thin stream, then a deep river. There were already substantial currency earnings, but requests continued to come to the government to set new quotas and issue licenses. For example, there was a 10-ton zirconium surplus, but licenses were issued for 329 tons.

The trading companies became fabulously wealthy. Millionaires multiplied as if by gemmation. This touched off a huge wave of crime lower down the ladder. Of course the common criminals were not about to sit there and watch while the commercial firms got rich at no risk. "Time to share!" they said. A large number of gangs specializing in extortion sprang up in the city. The commercial firms began to form their own combat units in response. They outgrew the needs of self-defense. They are growing and growing, and look at the results. The soldiers of the mafia. The combat units of organized crime. A whole army.

Are we not living in a criminal state? But our leaders constantly shout about democracy. We are the democrats, they say, and those who oppose us are dragging things back to barracks socialism. The reverse is the case, gentlemen. You are the ones dragging us backwards—to a criminal-mafia state, the outlines of which began to appear under Brezhnev. We, the whole people, tore our way out of that starting in 1985. The entire people, all of society was thirsting for the changes. And we achieved a lot, without the help of the Gaidars and Burbulises. They were still corrupting people with communist propaganda.

In these two years all the freedoms we achieved have been disfigured and slashed. Why do you put on a face that does not belong to you? Your face is quite different. It's the one you will go down in history with. As the creators of the Great Criminal State.