

EIR Strategic Studies

Russians to vote for Duma as economy continues to slide

by Gabriele Liebig

Gabriele Liebig, editor in chief of the German weekly Neue Solidarität and a member of the Schiller Institute in Germany, visited St. Petersburg, Russia for a week in October.

September two years ago was the last time I had been in St. Petersburg. The splendid palaces on the Neva River are still there, even though, upon close inspection, the fine ornamentation is crumbling away. But the city has been visibly marked by the so-called "reform process," as even a cursory survey makes abundantly clear: The population, including scientists, engineers, doctors, and teachers, has been plunged into poverty.

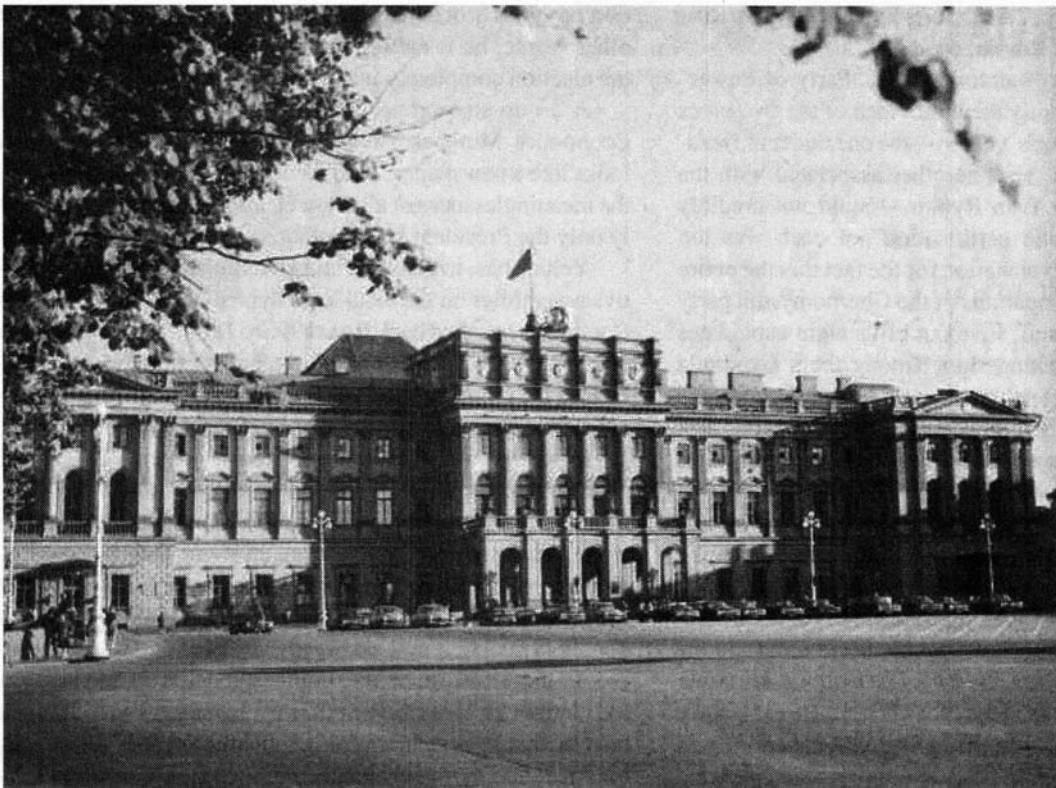
My host, a paterfamilias and chief physician at a St. Petersburg hospital, doesn't have a car, so we travelled by bus and subway. In 1987, it was decided to extend the subway system, and even though construction work had already been started, it was discontinued due to a shortage of funds. The decrepit buses are just about ready for the junkyard. When they do break down, there won't be any new ones to replace them. Consequently, every year fewer and fewer buses make the trip in and out of St. Petersburg, and the reach of the local public transit grid is becoming shorter and shorter.

Over 50% of the industrial concerns in the St. Petersburg area are already shut down. For this reason, all the streets in the business district, not just Nevsky Prospect, are decked with signs bearing western companies' trademarks alongside the Russian ones: Philips, Bosch, Fuji-Film, Reebok, Burger King, Coca-Cola, of course, and lots of others, sometimes in cyrillic letters, sometimes not, as these giant billboards make an impression on one's memory of the general character of the city. My Russian friends find the advertising slogan of one western clothing company particularly grating: "You are what you wear."

At the same time, the living standards of the general population are deteriorating more and more. Even families of university graduates buy practically nothing other than food and the most essential necessities, such as soap, toothpaste, or shampoo. The State health care system is no longer able to guarantee the availability of adequate medical supplies. The shortage of medications has led to a situation where patients have not only to pay for their medicines, but even to procure these themselves. Many clinics are overcrowded, and even as many as 20 psychiatric patients sleep in a single dormitory hall.

Who shops in the stores, lit up with the western signs? Who plays at the "Fortuna Casino" on Nevsky Prospect, where the entrances, for safety reasons, are equipped on either side with two little roofed guard houses, manned by security personnel? Perhaps the speculators, or the employees of the 400-odd Russian banks established since 1991, most of which are seen, time and again, to be going bankrupt (in connection with which, more than 100,000 bank customers have already lost their deposits). Is it the former Communist Party functionaries, who, during privatization of formerly State-owned property, have pocketed gigantic sums in brokerage commissions?

Or, is it the big and small mafiosi, who shamelessly cash in on protection money extorted from businesses, shops, or restaurants? "They all pay it, even the big western concerns," was intimated to me. We pass by a restaurant, which had been managed by two brothers from Nigeria, who had lived in Russia for quite some time. One brother was shot by the mafia, because he didn't want to pay any protection money. A woman candidate for the State Duma arrived late for our discussion appointment, and, all out of breath, she reported that she'd gotten stranded: The streets had been closed off,



Mariinsky Palace, where the St. Petersburg City Council has its offices. The author and St. Petersburg journalist Konstantin Cheremnykh met here with City Councilmen Aleksei Vorontsov and Leonid Romankov, discussing the upcoming elections and Russia's economic crisis.

because of a bullet-riddled car bearing diplomatic license-plates standing in the middle of the road. Not one television station, no radio news report, no newspaper ever reported on whatever it was that had happened there.

People more often complain about the collapse of science and culture in their country, than about their miserable living standards. The movie theaters and television show exclusively western films, for the most part American, and of the lowest quality; maybe two years ago these held some fascination because of their novelty, but today, they simply leave people cold.

The underfunding of the scientific institutions is cause for concern about a double "brain drain": Not only are scientists emigrating to foreign countries; many who do stay in the country direct most of their energies into activities entirely divorced from scientific work. These are profit-making commercial pursuits, e.g., purchasing anything whatsoever at favorable prices and re-selling it at higher prices—according to the old Adam Smith principle.

Those of the old *nomenklatura* who still hold more or less equivalent posts today, enrich themselves by collecting commissions as intermediaries for all kinds of business deals, whenever the opportunity presents itself within their sphere of influence. This corruption goes hand in hand with the introduction of International Monetary Fund (IMF) policies in Russia. A lot of people who once supported those policies, would now gladly see them gotten rid of. Since their introduc-

tion in 1992, Russia's foreign debt has grown to \$130 billion, and the breakdown of agriculture has made Russia dependent upon western food imports. Since Russia needs even more credit for these, it is caught on the horns of a dilemma. As long as the political leadership is preoccupied within the power struggles of their low-brow group interests, there is no way out of this Catch-22.

Prognoses for the Duma elections

The upcoming election of a new State Duma (national parliament) on Dec. 17 gives rise to a certain degree of hope for a change. The political analyst and radio commentator Vladimir Yeremenko (who moderates the Saturday interview broadcast "Opinion Interchange") makes the following prognosis: Assuming that the elections come off, they will produce an absolute majority for the renunciation of the IMF-dictated economic policies. The left opposition, consisting of Zyuganov's Communist Party of the Russian Federation and the Agrarian Party, together with the Congress of Russian Communities patriotic opposition bloc of Yuri Skokov, chairman of the Duma Economic Committee Sergei Glazev, and Gen. Aleksandr Lebed, would probably attain the absolute majority in the next Duma. Vladimir Zhirinovsky is evaluated as a political buffoon with no chance even worth mentioning. Yeremenko gives the party of Prime Minister Viktor Chernomyrdin "Our Home Is Russia" at most 10%; Yegor Gaidar's "Democratic Choice" at the very most 5%;

Grigori Yavlinsky's party, 7-8%; Boris Fyodorov's "Go Russia!", and the Women of Russia, each 5%.

Chernomyrdin's bloc was termed the "Party of Power" for a few weeks. Apparently the entire idea of the two blocs approved by President Boris Yeltsin—the one under the leadership of Chernomyrdin, and the other associated with the name of Duma Speaker Ivan Rybkin—could not credibly function, as the "despotic certification" of each was too strong. This is the only explanation for the fact that the entire St. Petersburg regional apparatus of the Chernomyrdin party voluntarily disbanded itself. Five out of its eight candidates have already left the sinking ship, among them Lyudmila Narusova, wife of St. Petersburg Mayor Anatoli Sobchak.

From discussions with representatives of the various parties, I got the impression that parties there are more like temporary practical alliances of people who want to do something or other together, than organizations with a clearly defined profile. Thus a supporter of the Social Democratic Movement, which belongs to the democratic-liberal camp, argues like a ringleader of the opposition. And it is difficult at first to distinguish a Zyuganov Communist from a supporter of Lebed and Glazyev,

Yet after a while, the tendency for uncritical nostalgia for the good old days of the bygone Soviet era, or for certain blood-and-soil ideas, is upsetting. It is to be welcomed that there is a general sense that the country's enormous crisis can only be overcome through a complete change in economic policy, as Glazyev has demanded: an end to the criminal privatization of the Russian economy, for which Deputy Premier Anatoli Chubais will be held responsible; the utilization of Russia's cheap raw materials, in combination with scientific-technological progress, the high educational level in Russia, and the construction of infrastructure; State intervention for endangered industries; the solution of the Russian banking crisis.

Who would want to prevent the election?

Yeremenko is not alone in his apprehension that Yeltsin may postpone the Duma elections (and those for the Presidential election scheduled to occur next year) i.e., prevent them from taking place. "If anyone at all can convince Yeltsin, that he can get away with not holding the elections as scheduled, he will do so," Yeremenko thinks. The other possibility that has already come to mind is a large-scale, planned vote fraud carried out with the help of bought-in-America voting machines and computer systems; however, it is said that these could not be installed in time for the Dec. 17 election day. On account of this, Yeltsin is now pressing hard for the election to be completely postponed. Yeremenko also concludes this from the behavior of the head of the Election Commission, Reabov, who publicly lamented over the fact that, with 40 parties participating in the election, a short description of each would fill up an entire book. Many citizens would not vote anyway, and may throw all of the elec-

tion program brochures right into the waste-paper basket. In other words, he is calling the very meaning and purpose of the election completely into question.

A group supporting the President, from circles around Economics Minister Yasin, is circulating a document that looks like a newspaper, with the logo *President*. It deals with the meaninglessness of all these elections anyway, since really only the President is important.

Yeltsin has, in a decree, slyly recommended to the legislative assemblies on the local level that city council and similar elections be pushed back from 1996 to 1997. The city councils are said to be following this recommendation and would thereby lose the moral right to protest, if Yeltsin were now to postpone the Duma elections and/or the Presidential election.

Naturally we would like to know, which persons and groups have a special interest in sabotaging the Duma election. Yeremenko even names names: in particular those who should have the most to fear from an about-face in the privatization policy. Skokov's Congress of Russian Communities has announced its intent to have the criminal privatization contracts declared null and void. Those with the biggest secret fortunes to lose, or who could even wind up behind bars, like former privatization minister Chubais, would certainly have a great interest in avoiding such trouble. Defense Minister Pavel Grachov and other representatives of the "war party" in the conflict with Chechnya may also have reason to fear great damage. General Lebed spoke his mind right against the Chechnya campaign from the start, and a recent poll showed that more than 60% of Russians reject the conduct of the Chechnya war. In St. Petersburg, it is over 80%.

The dean of the History Faculty of the State University of St. Petersburg, I.Ya. Froyanov, commented in an interview (see below) that in the course of its long history, Russia has always reacted to the pressure of external threats to its existence, by strengthening central power over the allocation of commodities and necessities of life. The consolidation with respect to external threats always brought with it internal repression. One could say, that some of Yeltsin's security services are operating out of a kind of historical power-reflex. What so far continues to be unclear is their political objective. The fundamental question remains: Will the "consolidated Russia" grasp the decisive social and economic question of bringing the IMF policies to an end, in accord with the vital interests of the Russian population? Or will Yeltsin now go as far as he did in 1993, when he allowed the Parliament to be massacred in October 1993, because of the well-organized resistance being waged against the IMF shock therapy?

The disturbing processes in the Kremlin are also the result of a grave of miscalculation by those western strategists, who thought that they would be able to plunder Russia, as if it were some kind of Third World country. Perhaps it is still not too late, through a change of course in the West's Russia policy away from IMF-dictates and blackmail utilizing the food weapon, to avoid an even more evil calamity.