

Will Primakov defeat the Gore-Chernomyrdin ‘Russian mafia’?

by Jonathan Tennenbaum

With the clock ticking on a new explosion of Russia’s debt crisis, Prime Minister Yevgeni Primakov took bold steps toward breaking the power of Boris Berezovsky and other elements of the Russian “financial mafia” that controls most of the Russian economy and banking system. Whether Primakov will succeed, is no mere internal Russian affair, but a global strategic battle whose outcome is closely tied, among other things, to the fate of U.S. Vice President Al Gore. As documented in *EIR*’s Feb. 12 issue and elsewhere, Gore and his buddy Viktor Chernomyrdin have functioned, in effect, as leading sponsors and protectors of the Russian financial mafia since no later than 1993. Not only was it the International Monetary Fund (IMF) shock therapy and the financial and economic policies carried out by Gore’s friend Chernomyrdin and the “young reformers” Yegor Gaidar and Anatoli Chubais, that handed the Russian economy to the criminal structures on a golden platter, but there is increasing evidence of direct, massive personal corruption on the part of Gore, Chernomyrdin, and others involved in that top-down looting process.

Not surprisingly, London’s *Financial Times* of Feb. 18 added its voice to Berezovsky-linked Russia press outlets, denouncing Primakov and First Deputy Prime Minister Yuri Maslyukov for facing down the IMF, and threatening Primakov’s demise if he did not fire Maslyukov for the continuing failure of the IMF negotiations.

The showdown with the British-American-Commonwealth (BAC)-connected Berezovsky comes at a time when the Primakov government, refusing to follow the insane dictates of the IMF, has evidently slowed and partly even reversed the collapse of real production, and achieved a crucial margin of political support in the Russian population. Prima-

kov’s position is strengthened by the collapse of the financial bubble both inside and outside Russia, as evidenced most recently by the Feb. 8 formal default of Russian “oligarch” Vladimir Potanin’s Onexsimbank on its Eurobond payment. The recent moves against the Russian oligarchs and the mafia structures connected with them, is also fully coherent with prominent coverage of Lyndon LaRouche in Russian economic newspapers (see *Documentation*), as well as an acceleration of Russia’s active moves to consolidate its cooperation with China and India as the pivot a “survivors’ club” of nations determined to outlive the collapse of the world financial system.

A brief review of some highlights:

‘Making room in the prisons’

On Jan. 31, Prime Minister Primakov declared on Russian television, that the government intended to give amnesty to 94,000 petty criminals, thus clearing the prisons to make room for those “who are plundering the state and robbing society.” Primakov gave clear signs, that this declaration of war against rampant, organized corruption was not only directed at “small fish,” but also at Berezovsky, whose media networks had been mounting an energetic campaign for the ouster of Maslyukov and, implicitly, of Primakov himself (see *EIR*, Feb. 5). For anyone familiar with Primakov’s background as a master of intelligence, his open challenge to Berezovsky was not likely to be an idle threat, but rather one backed up by elaborate preparations and highly professional capabilities.

Indeed, on Feb. 2, Prosecutor General Yuri Skuratov was suddenly fired, and personnel from his office and the Federal Security Service (FSB) raided both the Berezovsky

oil firm, Sibneft, and the Berezovsky private security firm, Atoll. The Prosecutor General's office confirmed that the raiders had confiscated video and audio cassettes where "evidence of illegal bugging was found." According to various Russian press accounts, Atoll and Sibneft had been bugging the offices and private residences of President Boris Yeltsin and members of his family, including his daughter Tatyana Dyachenko, who is an official adviser to her father.

The next day, on Feb. 3, the offices of Berezovsky-linked partners of the airline Aeroflot were also searched, while simultaneously, two top Berezovsky appointees at the airline were fired, including Aleksandr Krasnenker, who had previously been Berezovsky's deputy at the latter's flagship enterprise, LogoVAZ. Interestingly, the firing was ordered by President Yeltsin's son-in-law Valeri Okulov, who is director of the company. Parallel with this, a series of moves was initiated against Berezovsky's press empire, particularly his influence on the television channel ORT.

On Feb. 9, *Kommersant* reported that the General Prosecutor's Office had interrogated Yevgeni Bychkov, former head of the Russia's State Committee on Precious Materials, and others in connection with the embezzlement case against the company, Golden ADA, which channelled a reported \$1 billion in diamonds, gold, and other precious objects out of the Russian Treasury. As documented by *EIR* of Feb. 12, the Golden ADA case goes all the way to the doorstep of Vice President Gore, Chernomyrdin, and former Russian Finance Minister Boris Fyodorov. A day later, Gaidar and Fyodorov gave a press conference to promote their pro-IMF political party, "Right Cause," which they said was ready to fill all the posts for a new government to replace that of Primakov! On that occasion, Gaidar had to answer some unpleasant questions concerning a new scandal, namely, the alleged diversion by the Russian Central Bank of up to \$50 billion into offshore accounts in the English Channel Island of Jersey during the early 1990s, when Gaidar and the other IMF "reformers" were in the driver's seat of Russia's financial policy.

A summit meeting of the Commonwealth of Independent States, of which Berezovsky serves as executive secretary, was abruptly postponed from its planned late-February date.

The coordinated assault on Berezovsky et al. did not go unanswered, of course. Immediately, leading Russian newspapers were filled with nasty attacks and insinuations against Primakov, trying above all to drive a wedge between the Primakov-Maslyukov government and President Yeltsin. In the latest round of these attacks, *Moskovsky Komsomolets* floated the wild story, that Yeltsin was about to dismiss the government for alleged incompetence, and that Gaidar was helping Yeltsin draft the announcement! So far these obvious attempts to destabilize the situation using wild rumors and disinformation, have met with little apparent success, while at the same time, Berezovsky's own position is clearly weak-

ened by in-fighting among the oligarchs and related structures. According to Russian press reports, the head of Gazprom, Vyakhirev, led off a list of Russian "influentials" who had issued a letter supporting Primakov against the "mass media campaign" mounted by Berezovsky-linked press.

An expendable BAC instrument

This underlines the fact, that Berezovsky, like any of the other so-called "Russian financial oligarchs," is little more than an expendable instrument of the BAC-directed control and looting of the former Soviet Union. They have no significant, *independent* power, and it is entirely conceivable that Berezovsky, in particular, might be sacrificed in favor of other BAC assets at any time.

A more serious proposition is "Gore's favorite god-father," Viktor Chernomyrdin. Over the last two weeks, numerous reports have surfaced in the Russian and foreign press to the effect, that Primakov had decided to employ Chernomyrdin as a special representative for negotiations with the IMF and other creditors, replacing Maslyukov in that role. Although that report was later denied by *Izvestia* of Feb. 17, claiming that Finance Minister Zadornov, not Chernomyrdin, had been named special representative, the pattern of events still suggests that Primakov is playing a cat-and-mouse game with the IMF and its backers. The possibility of a potentially fatal, "rotten compromise" imposed under enormous pressures, cannot absolutely be excluded. What is for sure, is that Russia's battle for survival has gone into a new phase.

Documentation

Moscow journals publish LaRouche on economics

The Feb. 11 issue of the Moscow weekly Ekonomicheskaya Gazeta carried answers from economist Lyndon LaRouche, in reply to questions posed by the journal's editor-in-chief, Aleksandr Chekalin. The headline is "To Save the World from a New Dark Age."

In December 1998, Ekonomicheskaya Gazeta carried Chekalin's open letter, addressed to a number of prominent people, on the question of foreign debt relief. The letter was published in Latin, Russian, and English, under the headline, "The World Financial Octopus Has Grabbed the Peoples by the Throat. Shall We Try to Escape?" A boldface text followed: "The notorious phenomenon of foreign debt, which is unjust and immoral, strips some peoples of their will to reor-