Why Russia Is Not A Market For U.S. Goods

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Have you wondered why the White House, Congressional leadership, and the multinational corporate lobbyists are staking all their financial and political capital on trade with Communist China, but appear to lack interest in trade with Russia? Why isn't Russia a market of 146 million people eager to buy U.S. goods?

An explosive book now seeking a publisher may have the answer to that question: "Contagion: The Betrayal of Liberty -- Russia and the United States in the 1990s." The author is journalist Anne Williamson, who has divided her time between Russia and the United States for the last ten years.

Williamson has written about Russia for the New York Times, the Wall Street Journal and a variety of other publications. We are indebted to her interview with the Catholic newspaper The Wanderer for a preview of the explosive contents of her as yet-unpublished book.

Williamson describes Russian history from the end of the Gorbachev era to April 2000. This was the period when ruthless Communist bosses ruling a decaying socialist economy were replaced by ruthless gangsters posing as "capitalists" aided by Western plunderers posing as "investors."

Working in tandem, they moved Russia from a poor standard of living under Communism to indescribable poverty today, while the ownership of Russian industry passed into the hands of Russian criminals and Western financiers.

In writing her day-by-day report on Russia in the 1990s, Williamson interviewed practically everybody involved from the top aides of Boris Yeltsin and Bill Clinton down through all levels of society to the Russian destitute and drug dealers. A few, notably Clinton's good friend and Russian adviser Strobe Talbott, refused to talk to Williamson.

After the Clinton Administration labeled Yeltsin a "democrat," corrupt descendants of the original Bolsheviks grabbed the deeds to Russia's big state-owned industries, including gas, oil, electric, and telecommunications, the world's largest iron, steel and paper factories, and the rich gold, silver, diamond and platinum mines. The Russians, in turn, sold some of the shares of their loot to Westerners for bargain-basement prices and pocketed the cash while retaining control of the companies.

The Bolshevik gangsters became instant millionaires or even billionaires, while the Russian workers became virtual slaves of the Russian nouveau riche and their Western collaborators. The new owners soon controlled not only the industries but entire towns, including workers' housing, churches, schools, hospitals and markets.

Hundreds of officials of the International Monetary Fund (IMF), the World Bank, U.S. AID and the other international lending agencies, enjoying outrageous salaries, rented the finest dachas, drove up prices for goods and rents, and escalated illegal underground businesses. Williamson details how World Bank and IMF lending programs support corrupt regimes, vastly increase the recipient nations' national debt, and do nothing good for the domestic populations.

These international loans are a sophisticated form of bribery. For example, when Clinton was pushing the NATO Expansion Treaty through the Senate, which Russia looked upon as provocative, Clinton defused Yeltsin's opposition by assuring his reelection with a $10 billion IMF loan front-loaded with a billion dollars in cash.

At the point in time when Communism collapsed, the Russian people had enormous savings in rubles that could have competed in auctions for the national properties being privatized. These savings had accumulated because the Soviet economy, oriented toward the military, had produced so few consumer goods.

But the U.S. experts, especially from the Harvard Institute for International Development and Clinton's Department of the Treasury, jimmied the system so that price controls were removed before properties were privatized. This caused a 2,500 percent inflation, wiping out private savings overnight, so that only international criminals laundering money and Western insider investors were able to participate in the privatization process.

News that Russia had become an economic disaster area leaked out in the spring of 1999, followed by the

Bank of New York scandal, the mysterious death of banker Edmond Safra in his Monte Carlo penthouse, and the collapse of the Russian stock market. The Clinton Administration and Al Gore coldly said Russians would have to get their own economic house in order and cut their own deal with the IMF.

The IMF washed its hands of any responsibility for what happened to the enormous sums of money it had poured into Russia that so quickly were siphoned off by government crooks into their foreign bank accounts. Try telling your local bank lender you don't have to account for how you spend the money you borrow!

Williamson calls for a Congressional investigation of how these international agencies used U.S. taxpayers' funds to impose a ruthless class of international gangsters on Russia. But she is doubtful that a real investigation will ever happen because it would expose the unsavory shenanigans of the U.S. political, financial and media elite.