

## The Rich Also Cry

### Description

[ISRAEL SHAMIR](#) • JANUARY 26, 2018 • 2,100 WORDS

Putin Oligarchs Rating: 0.00 (0 unknown)

While you have probably already forgotten the feast, Russia is only now slowly coming back to life after its overlong Christmas break completed on January 14 by the quaintly named Old New Year, or even perhaps by the Epiphany on January 19. Everybody went somewhere, even candidates for the presidential race coming in on March 18: the Communist one went to ski in Austria, while the right-winger went to Bali. On the eve of Epiphany, they dipped in the ice-cold waters: the ultimate trial of Russian fitness. Not only he-man Putin, but even she-woman Sobchak did it!

And now, at last, as the feasts are over, the real trial begins. The US is preparing a new round of sanctions, including seizure of Russian oligarch assets. They are ripe for collection. The confiscation of Russian holdings in Cyprus banks in 2013 passed without a hitch and served as a trial balloon. Putin didn't object overmuch, for he is a sworn enemy of offshore accounts. None of the fleeced Russian businessmen succeeded in recovering their losses in court. Now is the time for the real thing, and much of the anti-Russian hysteria is aimed at preparing the ground for the seizure. In this way, they plan to get a cool trillion dollars into the US Treasury. Who will lose his assets and who will survive, this is the talk of the day in Moscow.

The Russian assets in the west could be divided into New Money, assets of Putin's people, and the Old Money, assets of Yeltsin's people. The sanctions are supposed to deal with Putin's people, but Russian experts think the Old Money is more vulnerable, for a good reason. The New Money is under Putin's protection. If the US or any other western authority grabs it, the Russian government may seize Western shares in Russian companies and properties.

But what about the Old Money? Its owners, elder oligarchs, are extremely worried about Putin's nonchalance. Putin takes it easy, they say. Ma'alish, the Arab in Putin says. Que sera sera, says his inner Frenchman. And this nonchalant attitude drives the oligarchs crazy. They want him to fight and save their money. They insisted on his meeting with President Trump in Vietnam; some say the meeting took place in the depth of the night, far from prying eyes, and didn't bring results. Now Putin says to the Old Money: if you want to save your money, repatriate it to Russia. We aren't that mad, they reply. You have to defend us anyway! That was the Deal!

Now we are coming to a difficult part. The Deal. Connected people, in-the-know, claim that a top-secret agreement was reached between the late Mr Yeltsin and his cronies, on one side, and The West, on the other side, in 1991. Yeltsin et al had sold Russia's interests down the river, and in return, The West allowed the bastards to hoard their ill-gotten gains in the Western financial system. Yeltsin et al had promised to let the Soviet republics go; to disarm; to follow the Washington Consensus, i.e. to stick to the liberal economic model; to allow the free import of consumer goods; to allow Western access to the Russian military complex; to let the West write Russian laws; to permit the free outflow of capital from

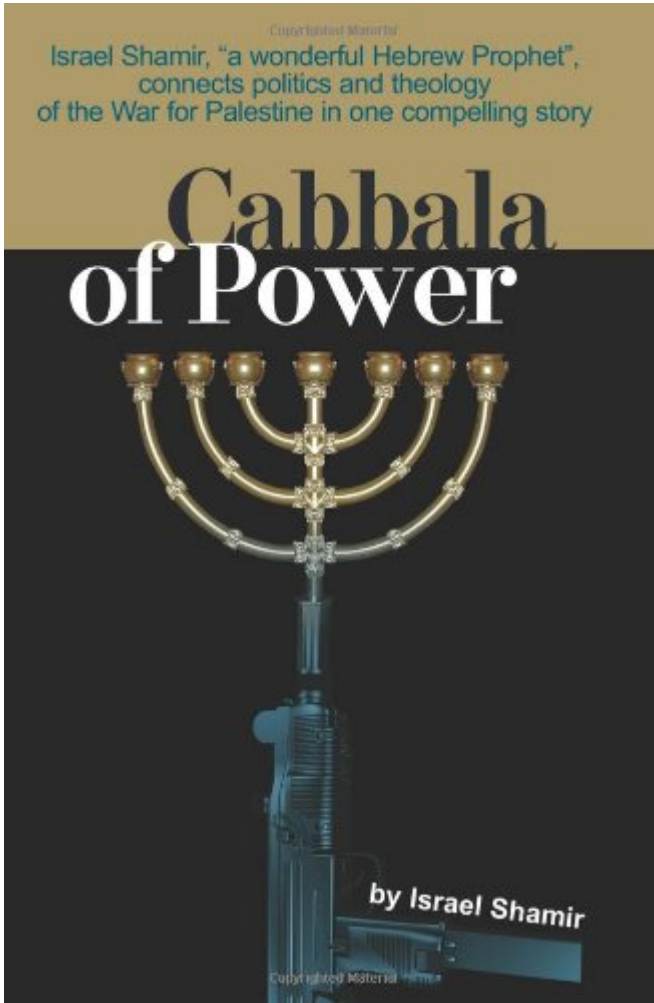
Russia. The West promised to bring investment, to let Russia live in peace, to keep NATO away from Russian borders.

Mr Putin inherited The Deal. Slowly, the Deal has been eroded from both sides. NATO troops moved eastward, no sizeable investment came in, the West supported Chechen rebels. Russia limited Western access to its military-industrial complex; took Crimea; regained some of its international independence.

Putin was elected, or you may say, he was appointed to stick to the Deal and to serve as the Supreme Arbiter among the oligarchs, with very little of a power base of his own. Slowly, he created his own oligarchs (they are described as “siloviki”, though not all of them have some security forces background), and he had built up a limited power base; though many important positions, in particular in the economic sphere, remained in the hands of the Old Guard, Yeltsin’s men. This, too, was a part of the Deal.

The powerful personalities of Yeltsin’s era remained embedded in the upper echelons of Putin’s state. Chubais and Kudrin were and are untouchable. They are connected with the FRS and the IMF, they go to Bilderberg and Davos, they are often described as ‘the colonial administration’. They steal with both hands, and do it with impunity. Just last week it was [revealed and published](#) that Mr Chubais and Mr Kudrin appropriated a cool billion dollars of Russian state money while repaying the Soviet debt to the Czech Republic. The worst Putin can do about them is to give them a fat chunk of the Russian economy to chew on, while limiting their access to the rest. So he gave Mr Chubais the Rusnano company that made no profit but [embezzled billions](#). This was the Deal.

Yeltsin’s oligarchs remained as rich as they were; Yeltsin’s family still possesses immense riches. And Putin does not dare to touch them. He goes hat in hand to open a Yeltsin’s Memorial Centre; he is courteous with Yeltsin’s widow and daughter. Putin’s establishment cautiously avoided celebration, or even mention of the Revolution centenary, in keeping with Yeltsin’s anticommunism. This is the Deal.



The topmost schools of Russia, the most endowed, the most privileged schools for the children of the new nobility are the HSE, (the Higher School of Economics, a clone of the LSE and the economic think-tank of the government), and MGIMO, (Moscow State Institute of International Relations, the school for perspective diplomats). Their graduates were been trained to despise Russia and admire the neo-liberal West (just like the Indian students trained by the Brits, had admired England and despised their country in the days of the British Raj). Professor Medvedev of the HSE called upon Russian government to transfer the Russian Far North to the international community, though this is the place of the greatest gas reserves (he kept his position). Professor Zubov of the MGIMO had compared Putin to Hitler, and denounced Russian diplomats as liars (his contract hasn't been prolonged). All that is a part of the Deal.

Putin has been unhappy with the Deal for a long time, vocally so since his Munich talk in 2007, but he stuck to the script. Even now, Russia's economy follows the liberal model; billions of dollars are being siphoned out of Russia monthly; billions of dollars' worth of Western manufactured consumer goods are imported and sold in Russia, though it would make perfect sense to organise local manufacture. Russia's Central Bank is directly connected to the Western finance system, and its emission is limited by the amount of hard currency in its coffers. The Rouble carry trade prospers, like the Yen carry trade did years ago.

Meanwhile, the Deal has been undone from the West, as a result of the epic struggle between Bankers

---

and Producers, otherwise described as Liberals vs. Conservatives, or Globalists vs. Regionalists, personalised as Clinton vs. Trump. Yeltsin's people are historically aligned with the Clinton camp. Now, their assets in the West, previously protected by the Deal, have lost their protection and come up for grabs.

The Old Money people are putting their effort into persuading the West, namely the US, to let them live in peace and instead confiscate the pro-Putin New Money.

This presented the golden opportunity for the anti-Putin activists, the time they can collect the fruit of their hard work. A somewhat typical anti-Putin activist is an émigré, Mr Andrey Illarionov, a Yeltsin man, an ex-adviser to President Putin (until 2005), a US resident, a member of the loony Cato Institute and an adept of Ayn Rand. He is an anti-Russian fanatic; next to him Rachel Maddow is a Putin groupie and Tokyo Rose a symbol of patriotism. Speaking to the Congress Committee of Foreign Affairs in 2009, he famously [claimed](#) about the US administration policy towards Russia that "it is not even an appeasement policy so well known to us by another Munich decision in 1938, it is a surrender. A full, absolute, unconditional surrender to the regime of secret police officers, chekists and Mafiosi". Despite these fighting words, he is a frequent visitor to Moscow, and he never misses a demo where he can call out "Putin must leave" apparently unafraid of the "secret police officers, chekists and Mafiosi". This is all you should know about the totalitarian Russian regime!

(Émigrés are frequently like that, and the US, a country of immigrants, had been vulnerable to the attack by Illarionov Syndrome, by listening to Masha Gessen, or to Ahmed Chalabi, the Iraqi émigré who claimed Iraq has had WMD, to Alexander Solzhenitsyn with his horror stories about GULAG, etc. I made it a rule to moderate my critique of Israel while abroad, in fear of failing the Illarionov Sanity Test.)

Now Mr Illarionov is lobbying the US Congress to remove its threats from the heads of those deserving oligarchs, who (in his words) amassed their fortune before advent of Mr Putin and "in order to survive, they had been forced to pay a large tribute to the Kremlin". His lobbying effort on behalf of the Old Money people has been shared and supported by two notorious Putin haters, a fellow émigré Piontkovsky and a Swedish Neo-Con Anders Aslund.

Direct and generous beneficiaries of their lobbying are the Three Alpha Jews, Peter Aven, Michael Friedman and Herman Khan. They are owners of the Alpha Bank, a very big Russian bank, and they are Old Money oligarchs from Yeltsin's days when their kin ruled the land.

Michael Friedman, the fat guy with a jolly piglet face, rose to his eminence from being a ticket tout selling illegally obtained opera tickets to Western tourists near Bolshoi Theatre; afterwards he became The Mind behind all ticket mafias in Moscow, and then proceeded to banking and so many other things.

Like many Old Money guys, Friedman earns money in Russia, but siphons it off for Jewish causes. He is a co-founder of a "Jewish Nobel Prize", also called Genesis Prize, a cool million dollars being given annually to a deserving Jew, the most recent one being the notorious Ruth Bader Ginsburg who [called](#) Donald Trump, "the faker". This is not a coincidence; the Russian Old Money is solidly in bed with the Clinton camp. If Friedman succeeds in escaping the sanctions, it will be an additional proof that the Bankers still have the upper hand in the US Administration.

Alternatively, it could mean they are just smart and able to play the both houses. The Three Alpha Jews had been mentioned in the Steele Dossier as the conduit of Putin influence for Trump and

against Clinton in the recent US Presidential elections. (They are [suing](#) Fusion GPS and BuzzFeed for spreading the accusation).

According to an even better conspiracy theory spread on the social networks, both Mr Illarionov and the smart Alpha Jews are a sleeper cell organised by cunning Mr Putin to ensure his survival in the most adverse conditions. All of them were very friendly with Putin; perhaps they just pretended to become his enemies, the conspiratorially minded journalist from the anti-Putin Echo Moskwy has implied.

Leaving the conspiracy theories aside for a while, we can reach a conclusion. The forthcoming attack of the US establishment on Russian assets is likely to undermine the Old Money of the Yeltsin Oligarchs, and not only them. This confiscation will spell the death knell to the notorious Deal, and then we shall see Putin Unbound.

But perhaps it is too late for him. An unverifiable odd rumour has risen in Moscow. They say that the Communist candidate Pavel Grudinin has strong backing among the “siloviki”, that is Putin’s appointees, often but not exclusively of security services background, for they are unhappy with Putin’s adherence to the Deal. But that will be the subject of my next piece.

Israel Shamir can be reached at adam

This article was first published at [The Unz Review](#).