Newsletter No 83: The Long Arm of the CIA: Behind Russia's Ukraine War

Hello Dear Readers,

As with so much of modern history, the mainstream Western media does not tell the full story. The role of the CIA in destroying the Russian economy in the 1990s is essential background to understand the deep distrust between the Putin Kremlin and Washington going back to the Yeltsin years. The CIA followed that failed coup attempt in 2014 with a successful coup d'etat in Ukraine in which Washington installed an anti-Russian puppet regime in Kiev, many of whose key players in the Pravy Sektor (Right Sector) party and others were explicit neo-Nazis whose roots went back to the Banderistas who fought the Russians in World War II on the side of the German SS. That 2014 coup was led by then Assistant Secretary of State Viktoria Nuland and Vice President Joe Biden. Today Nuland is back and Biden is President. The following is a chapter from my best-selling book, Manifest Destiny. It details the criminal role of the CIA and US Presidents Bush Sr. and Bill Clinton in what can only be called the Rape of Russia in the 1990s.

If you have not yet done so, please consider support for my online voice. The relentless censorship of the Internet and social media by the private corporate social media companies since the 2020 Corona virus, and now the war in Ukraine, is alarming and damaging and can only be compared with book burnings in the Germany of the 1930s, or the Medieval Inquisitions with torture of heretics.

I thank you for your interest and support,

William Engdahl
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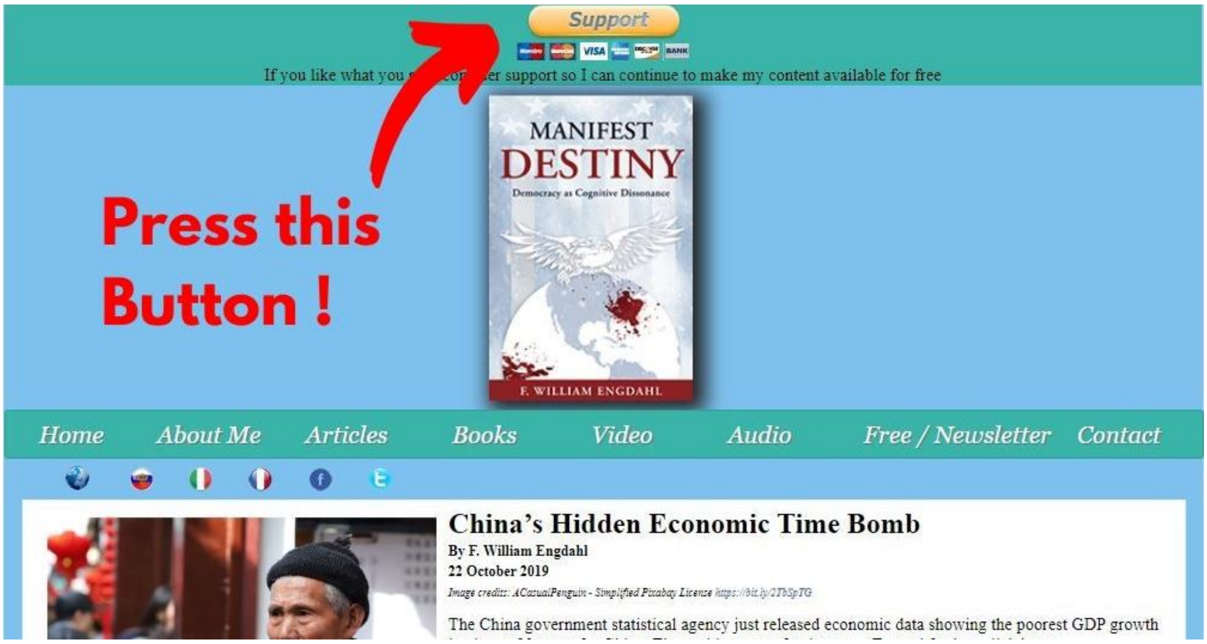
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China's Hidden Economic Time Bomb
By F. William Engdahl
22 October 2019
The China government statistical agency just released economic data showing the poorest GDP growth

Chapter Four:

Soros and the Harvard Boys Join Yeltsin and the KGB

"We learned today that officers of the United States' CIA operated as consultants to Anatoly Chubais. But it is even funnier that upon returning to the US, they were prosecuted for violating their country's laws and illegally enriching themselves in the course of privatization in the Russian Federation."

—Vladimir Putin, 2013[i]

Soros' Harvard Boys Go for the Kill

As soon as the rogue ex-KGB generals and their handpicked protégés had looted the gold reserves of the now defunct Soviet Union and stolen the significant financial assets of the now conveniently banned Communist Party—all with the blessing and complicity of Boris Yeltsin and his inner circle—Bush's CIA old boys were ready to launch the next phase: the systematic takeover of strategic energy, raw materials, and military state industries in the Soviet Union via IMF-dictated privatization operations that were run by Yeltsin's finance minister, Yegor Gaidar, and his accomplice, Anatoly Chubais.

In November 1991, Chubais became a minister in the Yeltsin cabinet, where he managed the portfolio of *Rosimushchestvo*—the Federal Agency for State Property Management, which Yeltsin decreed to be the agency responsible for devising Russia's privatization of the state companies. Gaidar and Chubais worked in league with George Soros, the Wall Street speculator and "colleague" of the CIA front the National Endowment for Democracy (NED). Soros, in turn, brought Harvard's Jeffrey Sachs—architect of the Polish "economic shock therapy"—and other of his American "friends" to the Yeltsin circles.

George Soros and his Open Society Foundations had been linked to the CIA by Chinese intelligence and others. His Open Society institutions seemed to appear operational, of course just by coincidence, in every situation where the CIA's NED front and the US State Department sought regime change to a pro-Washington government.

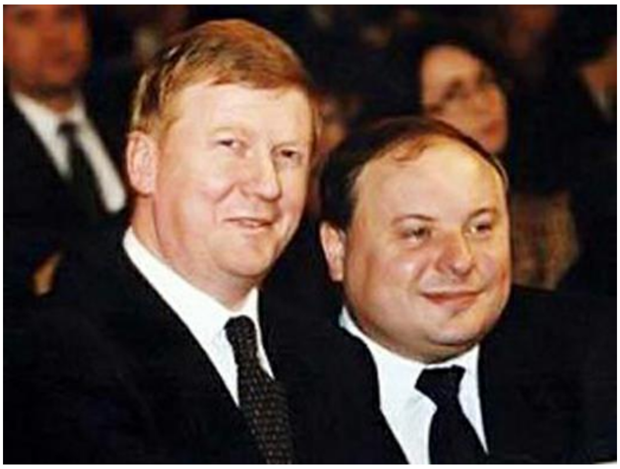
Already as far back as 1987, while Gorbachev still headed the Soviet Union, Soros took advantage of the Soviet regime's efforts to reform by founding his Open Society Institute in Moscow. There he could give money to key researchers and others to support "market economy research."[ii]

All actions of Yeltsin were guided by Yeltsin's CIA and KGB handlers, notably KGB Generals Philipp Bobkov, Alexei Kondaurov, and Yeltsin's personal bodyguard, General Alexander Korzhakov. This was the cabal which, in coordination with George H.W. Bush and his CIA old boys, staged the phony KGB "coup" attempt against Gorbachev that propelled Yeltsin, with the support of mainstream Western media, as the new Russian champion of democracy.

In December 1991, four months after that fake coup, Yeltsin, then president of the Russian Soviet Federative Socialist Republic—the largest federated "republic" within the Soviet Union—met with the presidents of Ukraine and Belarus and signed what was called the Belavezha Accords, declaring the dissolution of the USSR that had formally existed since 1922. It was the key note in the US-backed coup to open up the rape of Russia. By that time Gorbachev had been utterly discredited and had resigned in disgrace.

Russia's Shock Therapy

As part of the Belavezha Accords agreement, the newly created Russian Federation took legal title to all state assets of the former USSR, now nonexistent, and assumed all foreign debts of the USSR. Yeltsin was told to name a thirty-two-year-old friend of George Soros named Yegor Gaidar to become his economics czar. Gaidar, who formally was made finance minister of the new Russian Federation in February 1992, named another young economist, Anatoly Chubais, his director of state asset privatization.



Two young US-steered economists, Anatoly Chubais (l) and Yegor Gaidar (r), implemented the Harvard shock therapy program to loot Russia for themselves and their Western friends.

Gaidar was then taken to Poland by the Soros circles in order to study the Polish "shock therapy" model, the process that had been introduced by George Soros's young Harvard economist protégé, Jeffrey Sachs. Back in Moscow, Yegor Gaidar, using the Polish example of Sachs, convinced Yeltsin to "let prices rise to increase supply and to scrap trade barriers so that foreign commodities could begin to fill store shelves." [iii]

It was a lie. The Soviet economy was self-sufficient in everything except perhaps bananas and coffee. The shops had been full until November 1991, when Yeltsin announced the exact date when price controls were to be lifted: December 31 of that year. Shop owners promptly hid their goods, waiting for the announced profit bonanza of price decontrol. Shops were suddenly empty. Within a week of Yeltsin's speech, rationing was imposed on Muscovites. It was just the beginning of almost a decade of economic horror for most Russian citizens.[iv]

Harvard, the CIA and Larry Summers

Gaidar was instructed and guided by the US Treasury from a new Clinton Administration that had taken office in January 1993. The key person at the Treasury for the ensuing Gaidar–Chubais looting of Yeltsin's Russia was a former Harvard economist named Larry Summers. Summers used the powerful influence of the US Treasury to funnel International Monetary Fund (IMF) dollars to the cash-hungry Yeltsin government, advising Yeltsin and Gaidar that Russia must open to unrestricted imports if they wanted to receive the IMF and other Western loans.

Gaidar soon delivered a policy that served the demands of Washington and of the KGB's new banking oligarchs around Mikhail Khodorkovsky's Menatep Bank and others. Under the Gaidar decrees, Russian manufacturing was to go bankrupt in the face of unrestricted foreign competition, but, curiously, domestic banking was to be protected from competition.[v]

After the November 1992 US election victory of Bill Clinton, Larry Summers, the new US Treasury deputy secretary responsible for Russian "reform"—himself a former Harvard economics professor—brought a group of his former Harvard colleagues, including George Soros's Polish shock therapy adviser, Jeffrey Sachs, and economics professor Andrei Shleifer to Moscow under the auspices of their Harvard Institute for International Development (HIID). That Sachs–Shleifer–Summers triangle essentially orchestrated all key aspects in the implementation of the Gaidar–Chubais "shock therapy" in the early Yeltsin years.[vi]

In 1991, just months before joining the Clinton Treasury, Summers had been chief economist at the World Bank. There, Summers had named his former Harvard student Shleifer, a Russian-born American citizen, as World Bank "adviser" to the Yeltsin government. Soon after Summers became Deputy Secretary of the Treasury in the Clinton administration in early 1993, Shleifer would join Jeffrey Sachs's HIID in Moscow as Project Director.

HIID had been chosen by Summers as the key advisory agency to work with Gaidar and Chubais to organize the colossal looting known as Russian privatization. From his Washington US Treasury office, Summers named all key actors in the Chubais privatization rape of Russia in the early 1990s. They were what could be called a Harvard mafia.

Summers hired David Lipton from Harvard, a former consulting partner of Jeffrey D. Sachs & Associates, to be Deputy Assistant Secretary of the Treasury for Eastern Europe and the Former Soviet Union. Sachs was named Director of HIID in 1995. Sachs's HIID received USAID grants for the institute's "work" in Russia from his former partner, now at the Treasury, David Lipton. It was a tight-knit circle Summers had created.[vii]

The USAID was known as a CIA front agency, keeping the CIA's role of regime change and such hidden behind the veil of a charitable US government agency spending for economic development. It was a key money link for the directing of every step of the Chubais privatization operations through the Summers–Sachs Harvard boys.[viii]

Harvard was a clever choice to be the CIA's hands-on operator for the Chubais privatization. CIA monies via a Harvard University front gave an aura of impartial academic respectability and of plausible deniability that the CIA and the US Treasury were actually responsible. Shleifer, a Russian-born émigré and protégé of Summers, was already a tenured professor of economics at Harvard in his early thirties. Shleifer became Sachs's head of the HIID's Russia project based in Moscow.

Then Summers brought in yet another Harvard boy, a former World Bank consultant of Summers named Jonathan Hay. In 1991, while still at Harvard Law School, Hay had also become a senior legal adviser to Chubais's GKI state privatization agency. In 1992, Hay, a lawyer, was made the HIID's General Director in Moscow. Hay assumed vast powers over contractors, policies, and program specifics. He not only controlled access to the Chubais circle but was its spokesperson as well.[ix]

Both Jonathan Hay and Andrei Shleifer were identified later as CIA agents. President Vladimir Putin, in an April 2013 annual dialogue with Russian citizens—though he discreetly did not name the names—referenced Hay and Shleifer as identified CIA agents working with Chubais and Gaidar in the criminal Russian privatization:

> *We learned today that officers of the United States' CIA operated as consultants to Anatoly Chubais. But it is even funnier that upon returning to the US, they were prosecuted for violating their country's laws and illegally enriching themselves in the course of privatization in the Russian Federation. They did not have the right to do this as active CIA officers. In accordance with US law, they were not allowed to engage in any kind of commercial activity, but they couldn't resist—it's corruption, you see.*[x]

Both Hay and Shleifer were "protected" by Washington, despite having to pay multi-million dollar fines when, in 2006, the US District Court in Boston fined them personally $2 million and Harvard University $26.5 million for their Russian illegal activities. Summers—who by then had left Washington to become Harvard President—was forced to resign on the revelation of his role in the Moscow HIID scandals in 2006. Before he left, however, Summers managed to get Shleifer named to an endowed Harvard professorship chair. Hay later resurfaced as founder of the Ukrainian branch of the Polish "free market" Centre for Social and Economic Research (CASE) during the CIA coup d'état in Kiev in 2014.[xi]

Harvard's Criminal Russian Privatization

The criminal Russian privatization of state assets that Hay and Shleifer had created together with Anatoly Chubais and Yegor Gaidar after 1992 was done to the last detail by Chubais's new American advisers. When the announcement of the proposed vouchers-for-shares privatization received cold response from Russians already reeling from the economic shock of price de-freezing, Hay and Shleifer arranged for slick US public relations experts from Burson-Marsteller and the Sawyer Miller Group to devise an advertising campaign to be aired on the TV channels then owned by the newly created Russian oligarchs to convince Russians to accept the Gaidar–Chubais privatization scam.

The Harvard–Chubais privatization scheme which began in 1992 was as simple as it was criminally fraudulent. It was proclaimed by Yeltsin in August 1991 by presidential decree, bypassing a hostile Duma.

Anatoly Chubais, as head of the state GKI state property agency, issued 150 million "vouchers" to each and every Russian citizen. In turn, citizens could invest their voucher in a share in a Russian privatized state company or shop or sell it at an established market price pegged to the US dollar. As most Russians were concerned when, if ever, the next pension payment would be paid or where jobs could be found in the collapsing industrial economy that was a predictable result of the Sachs–Harvard–Chubais shock therapy, millions simply sold their vouchers for cash.

Vouchers could be bought or sold on every street corner in Russia in June 1992. They were traded at new Moscow "commodity exchanges" set up by Harvard's Jonathan Hay and the USAID monies channeled via the HIID. Voucher investment funds sprung up everywhere to gather citizens' vouchers by the millions. Gaidar, Chubais, and their Harvard advisers made certain those "investment funds" would be unregulated. The ruble was made domestically convertible to the US dollar on the advice of the Sachs HIID team, further weakening the ruble and dollarizing the economy.

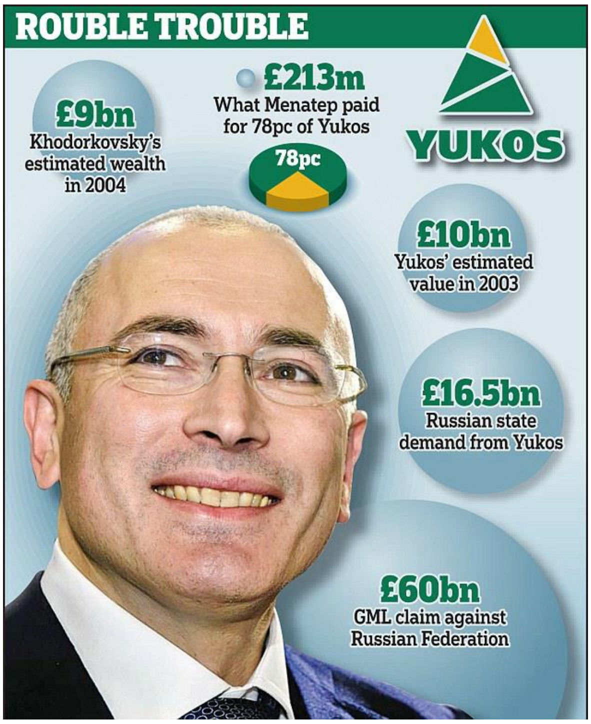
In the twenty months that the voucher-for-shares program lasted, voucher prices swung from a high of $20 to a low of $4 a voucher. As they were made freely tradable, it was ripe for the billionaire oligarchs around Yeltsin to buy them up, which is precisely what they did.[xii]

Nearly six hundred voucher funds obtained forty-five million vouchers. The largest, calling itself First Voucher, collected four million vouchers.[xiii]

At the stated price for the vouchers, Chubais and his Harvard boys had de facto valued the entire Russian economy—which included the world's largest nickel company; some of the world's largest oil and gas companies, including Sibneft and Gazprom; RUSAL, the world's largest aluminum company; vast gold mines and numerous high-tech defense companies—at a total that was less than the market value of the US General Electric company. In the privatization auctions, based on the number of total vouchers that were circulated, the entire Russian industrial system, including mines, oil companies, and factories, had a total valuation of under $12 billion. It was theft on a colossal scale. [xiv] The face value of each voucher was 10,000 rubles, which Chubais told the public was sufficient to buy two or even three Volga cars, at the time Russia's finest auto. It was a lie.

Creating CIA Oligarchs

Because they had been allowed by the Bush CIA networks that controlled the financial side of the Yeltsin mafia to be the first Russians with big money, select Yeltsin oligarchs were able to buy up hundreds of thousands of vouchers and redeem them for entire industries, which would later be stripped and sold. Although they were supposedly acting on behalf of the Russian state, the bank auctioneers of oligarch-owned banks rigged the process. This was how Bank Menatep's Mikhail Khodorkovsky got a 78 percent share of ownership in Yukos, worth about $5 billion, for a mere $310 million. It was how Boris Berezovsky got Sibneft, another oil giant worth $3 billion, for about $100 million. [xv]



CIA-tied Russian oligarch Khodorkovsky manipulated Chubais's voucher privatization to literally steal the huge Yukos Oil Company in league with Jacob Lord Rothschild, Henry Kissinger, and other Western shadowy figures.

Using his Yeltsin connections, Khodorkovsky was able to purchase several factories in investment tenders and large blocks of shares in timber, titanium, pipe, and copper-smelting companies. In total, Khodorkovsky gained control of more than one hundred companies before getting control of the giant Yukos Oil.

Under growing pressure from the Duma parliament, then dominated by Communist Party deputies, Chubais agreed to prohibit voucher sales of state companies to foreign investors.

There were, however, two notable exceptions. In 1995, in the wake of the Yeltsin referendum victory financed by George Soros, the Harvard Management Company (HMC), which invests the university's large endowment, and George Soros, who brought Harvard's Sachs to work with Chubais, were the only foreign entities allowed to participate. Both HMC and Soros became major shareholders in Novolipetsk Steel, Russia's second-largest steel mill, and Sidanko Oil, which had estimated oil reserves exceeding those of Mobil Oil.

HMC and Soros also invested in Russia's high-yielding, IMF-subsidized, domestic GKO short-term bond market. And in 1997 Soros bought 24 percent of Svyazinvest, the telecommunications giant, together with Uneximbank's Vladimir Potanin, the nominal spokesman of the new Russian oligarchs.[xvi]

Soros to Yeltsin's Rescue

This left many Russian citizens feeling cheated, royally screwed, and furious as their dreams of a promised share in "capitalist private property" vanished, along with their savings, during the Central Bank hyperinflation money printing, another part of George H. W. Bush's Operation Hammer.

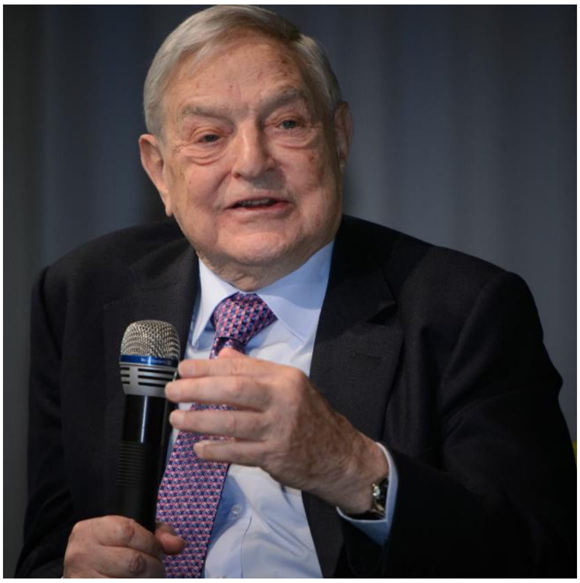
By 1993, pressures were growing from all sides, including the Duma. The population were demanding action. The Supreme Soviet, the Russian upper house, was drafting a bill that would freeze the entire privatization process. The opposition was becoming so great that Chubais ultimately had to rely largely on Yeltsin's presidential decrees, not parliamentary approval, for implementation.

Harvard HIID's Moscow man, the CIA's Jonathan Hay, and his HIID associates drafted many of the decrees. As USAID's Walter Coles, whose office funded the Chubais privatizations via HIID, described it, "If we needed a decree, Chubais didn't have to go through the bureaucracy."[xvii] Russia's nascent efforts to establish some form of parliamentary democracy or even checks on dictatorial Presidential power were of little interest to Clinton, Summers, or other Washington officials.

At that point, as opposition threatened to get out of hand, Yeltsin felt forced to agree to a national referendum on the entire privatization process. The date was set for April 25, 1993.

The referendum contained four yes/no questions: (1) Do you support Yeltsin? (2) Do you support Yeltsin's economic policy? (3) Do you want early elections for president? And (4) Do you want early elections for parliament?[xviii]

Facing sure defeat, Chubais, most likely on advice from his Harvard mentors, arranged to secretly meet with US billionaire George Soros, who agreed to finance—on behalf of Yeltsin—the Yeltsin referendum campaign. Soros funneled $1 million, a huge sum in Russia at the time, to offshore accounts set up for Chubais's use to buy media exposure. Yeltsin survived the referendum by a slim 52 percent, and the privatization of major Russian industrial companies went forward.[xix] Yeltsin was giving the crown jewels and much more to a cabal of CIA-backed Russian oligarchs.



Hungarian-born hedge fund speculator George Soros financed the 1993 Yeltsin referendum that kept the criminal Russian privatization alive.

From Washington, Larry Summers at the Treasury architected the Chubais–Gaidar privatization with Jeffrey Sachs and Andrei Shleifer, serving to directly convey the plans to Yeltsin's economic advisers. It was a theft on a scale unprecedented in any nation, even in wartime. The US–French–British Versailles reparations of 1919 were almost humanitarian, in comparison to what was done to Russia in the 1990s under Yeltsin's stewardship.

Oligarchs Buy Yeltsin's Reelection

By 1996, with the Russian economy deep into hyperinflation, Yeltsin faced certain defeat in scheduled national elections. The head of the Communist Party, Gennady Zyuganov, promising a return to stability, was far ahead in the polls. Some of Yeltsin's close advisers even suggested canceling the elections and declaring a de facto dictatorship.

By then, Yeltsin's daughter Tatyana Borisovna Yumasheva had become her father's closest adviser, together with Berezovsky, Gusinsky, and the other USAID–CIA-made oligarchs. Russian media labeled the clique controlling Russia, especially after Yeltsin's heart attack that year, "The Family," as in mafia family, not blood family.[xx]

Following the Russian Communist Party's success in the December 1995 Duma elections the International Monetary Fund in Washington—de facto controlled by the US Treasury--made an extraordinary $10.2 billion loan to the Yeltsin government. In that loan, $1 billion was secretly intended for the campaign to keep Yeltsin president in the 1996 elections. Tape recordings later made public of conversations between President Bill Clinton and Yeltsin showed that in return for the US support, Yeltsin would exempt longtime Clinton supporter, campaign donor, and Arkansas-based Tyson Chicken's exports to

Russia—then a $700 million annual business—from a threatened 20 percent import tariff increase. The corruption was seemingly unbounded.[xxi]

Berezovsky and Gusinsky, the Clinton–Summers–Harvard–Soros-backed new Russian oligarchs, fearing the loss of their stolen billions to the opposition communists, in turn formed what they called the "Group of Seven." The group included Berezovsky, Gusinsky, Khodorkovsky, Potanin, Vinogradov, Smolensky, and Friedman. With aid the of US Madison Avenue spin doctors, the Group of Seven—which then owned the two major TV stations, with the third still state owned (i.e., Yeltsin controlled), and their control of major press—ran a US-style media campaign assault for Yeltsin's reelection. At the same time, they blocked Zyuganov from buying media time.

Yeltsin posters carried the cynical Madison Avenue slogan, "Choose with Your Heart." Another ad featured Yeltsin's family in photos while Yeltsin recalled events in his childhood as an athlete, rebel, father, and grandfather. All the while, sentimental Russian music played in the background.[xxii]

The oligarchs hired Chubais, the man responsible for creating their fortunes, as Yeltsin's campaign manager. He created a private fund aptly called the Center for the Protection of Private Property--his and the Yeltsin oligarchs' private property in reality.

Chubais received $5 million from the Group of Seven for the campaign. Fake newspapers were created overnight, printing stories that claimed the "discovery of secret minutes" of a Communist Party leadership meeting where Zyuganov was alleged to have said, "We will not be able to give the people anything that we promised." Gaidar's re-election fund also funneled hundreds of thousands of dollars, a fortune in the time of hyperinflation of the ruble, to major Russian journalists to write fraudulent articles in praise of Yeltsin and discrediting Zyuganov.[xxiii]

During the 1996 pre-election campaign, polls showed that Communist Party leader Gennady Zyuganov would defeat Yeltsin. The Russian population rightly felt cheated and humiliated. Yeltin's support was less than 4 percent. Gaidar, Chubais, and the other "reformers" around Yeltsin began to panic.

Chubais and Yeltsin turned to the new Oligarchs—called by cynical Russians as "Russia's corporate politburo"—to save the day. Chubais called a press conference where he claimed that if the Communist Party returned to power, they would forbid the "free" press and put their political adversaries into prison, predicting a "big bloodshed in Russia." The fact that the Yeltsin oligarchs had gotten a near monopoly on Russian TV and print media made it possible to tilt the vote to Yeltsin 54 percent. The Russian corporate politburo was now firmly in the saddle, with Yeltsin and Chubais their horses, or so they believed.[xxiv]

The Destruction of the Ruble

The next step in the rape of Russia for Washington and the secret CIA Operation Hammer was to create hyperinflation and ruin the ruble currency—state default.

By 1998, the casino of short-term debt in the state GKO bond market, at times paying interest of up to 290 percent or more, was reeling out of control. Billions of speculative hot dollars were pouring in from foreign hedge funds and other speculators. The improbable yields on three-month paper on the Russian market's GKO bonds were paid with US taxpayers' money via IMF loans.

By yielding those kinds of ultra-high returns, the bond market ensured that all the country's resources and all it was capable of attracting went to the support of the state, the state apparatus then controlled by Yeltsin's tight-knit mafia around Chubais and Gaidar.[xxv]

It also insured that the giant Ponzi scheme would soon topple. It did, triggered by an August 1998 op-ed in the influential London *Financial Times* by the US hedge-fund billionaire and Russian oligarch insider George Soros. By the time of the ruble crisis of August 1998, Russian industrial output had fallen by almost half and poverty had increased from 2 percent of the population to over 40 percent. Until August 1998, the ruble was overvalued, making it impossible for domestic producers to compete with imports.

The IMF did not want Russia to devalue, and it provided billions of dollars to prop up the exchange rate.[xxvi] That was to no avail, however. The devaluation was forced deliberately, part of the Operation Hammer agenda to destroy Russia.

On pressure from the Clinton Treasury, especially from Deputy Secretary Larry Summers, the IMF made a $22.6 billion Russian bailout to save the financial assets of their bankers and oligarchs, not to save the ruble. With the IMF money in the pipeline, Soros wrote a prominent guest article in the London *Financial Times* where he stated, "The meltdown in Russian financial markets . . . has reached terminal phase. Bankers and brokers who had borrowed against securities could not meet margin calls and forced selling swamped both the stock and bond markets."[xxvii]

Given Soros's financial market reputation as an uncanny and unusually well-informed trader, Western investors led a panic exit from ruble GKO bonds and Russian stock shares. Trading on the Russian stock market was suspended amid growing fears of debt default, devaluation of the ruble, banking collapses, or a combination of all three.

Then on August 18 Prime Minister Sergey Kiriyenko and the Russian Central Bank jointly announced a devaluation of the ruble, a suspension of trading in government GKOs, and a ninety-day moratorium on the repayment of ruble-denominated foreign debt. Short-term debt due by the year end was $20 billion, with $6.5 billion owed to foreigners. Foreign reserves totaled a mere $17.5 billion and were vanishing at the rate of $1 billion a week to try to support the ruble–dollar peg.[xxviii] That signaled the end of shock therapy and the Harvard Boys but the beginning of a dramatic change in fortunes of certain oligarchs.

The Silent Putsch

Following the Russian debt default and ruble crisis, the Yeltsin oligarch cabal in the Kremlin was forced to compromise in September 1998, when the Duma refused to approve the notoriously corrupt Viktor Chernomyrdin as Prime Minister. In a desperate bid to calm opposition, the Yeltsin cabal named a highly respected outsider to head the government, Yevgeny Primakov—a former head of the KGB foreign intelligence successor, SVR, and former foreign minister—as the new prime minister.

Primakov soon went after the most powerful Yeltsin oligarch, Boris Berezovsky. On April 5, 1999, prosecutors and armed men in camouflage and black masks raided Berezovsky's companies in Moscow, and an arrest warrant was issued for Berezovsky for his involvement in a scam involving Aeroflot ticket sales. In May 1999, members of the state Duma tried to impeach President Yeltsin. The impeachment vote failed. It was rumored that votes had been bought by the Kremlin at $30,000 apiece.[xxix] Clearly the political tide was turning in Russia.

When Prime Minister Primakov learned of the illegal US bombing of Serbia in March 1999, he was aboard a Russian jet en route to Washington for meetings. He ordered the pilot to immediately return to Moscow in what came to be called in the Russian media the "Primakov loop." Back in Moscow, Primakov vehemently protested that Yeltsin and the Russian government must act to support the Serbs. Yeltsin responded by firing Primakov some weeks later, using the economy as excuse.

On June 11, 1999, the Russian military rejected the Kremlin's capitulation to the NATO bombing of Serbia and ordered Russian troops to seize the airport in Pristina, Kosovo. Yeltsin had lost control over his own military. This was the beginning of what would become a silent coup. With little choice, Yeltsin's administration agreed to require the foreign ministry to coordinate its activities with the military and security apparatus that Primakov had headed.

An Unknown Named Putin Takes Over

On August 10, 1999, Yeltsin fired Prime Minister Sergei Sephashin and replaced him with Vladimir Putin, an unknown former KGB officer who had spent the Cold War in Dresden in communist East Germany. Putin briefly had been head of the FSB and otherwise seemed to be a man with little prior political experience other than a short time as deputy mayor of St. Petersburg. Berezovsky, Gusinsky, and the other Yeltsin oligarchs believed they could "do business" with the novice Putin. They made a major error.[xxx]

According to informed reports, Putin gave Yeltsin the ultimatum to resign or face serious consequences, an offer he apparently could not refuse. Yeltsin resigned on December 31, 1999, naming Prime Minister Vladimir Putin as acting president until the March 2000 elections. By then, the CIA and their undesirable NGOs had wreaked untold damage on Russia and the Russian people.

Once in office as president on December 31, 1999, Vladimir Putin made clear to the oligarchs he was not intending to be their man. Following an electoral victory in June 2000, Putin called to the Kremlin the eighteen most powerful oligarchs, those who had made staggering fortunes at the expense of Russia. He denounced the shocked oligarchs by calling them creators of a corrupt state through backroom deals and insider ties. Soon after that, Putin's Kremlin launched criminal cases against media and banking oligarch Vladimir Gusinsky of Media-Most, the financial–industrial group Interros headed by Vladimir Potanin, and Sibneft, an oil company controlled by Roman Abramovich, as well as businesses connected with Boris Berezovsky.[xxxi]

Incalculable Human Economic Toll

The human cost of the US-imposed Russian shock therapy brought by Soros, Jeffrey Sachs, Larry Summers, and a stable of CIA-linked financial and legal operators, such as Jonathan Hay and Andrei Shleifer, was beyond belief. Between 1991 and 1997, the Russian GDP—the value of all goods and services that Russia produces—collapsed by 83 percent. Farm production had declined by a staggering 63 percent as state support for large farms ended. Investment into the economy decreased by 92 percent.

More than 70,000 factories were closed down. That led to Russia's producing 88 percent fewer tractors, 76 percent fewer washing machines, 77 percent less cotton fabric, 78 percent fewer TVs, and on and on. In a country that had been without unemployment under the Soviet era, thirteen million people lost their jobs under Yeltsin's "free market" Russia. Those who still had work had their wages cut in half. The average life span for men had been shortened by six years, down to the same level as in India, Egypt, or Bolivia. Alcoholism became epidemic as depression spread among the population. It was a shock therapy indeed, the kind of shock a country experiences only in a major war.[xxxii]

The CIA and their fake democracy NGOs had more than Russia and the destruction and looting of the Soviet Union and Eastern Europe in their sights. The People's Republic of China was also being targeted for drastic regime change at the same time Washington brought the Soviet Union to collapse. Leading circles in the US and Britain had decided to try to destroy all state communist powers at the same time—a massive, if foolish ambition.

Endnotes:

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