

Mafia millionaires emerge as spoilers in the new Russia

by Denise Henderson

A new word has emerged in Russian popular lingo: *reketir*—racketeer. With the collapse of the socialist system and the disintegration of the economic and political institutions of the state, a new species of corrupt entrepreneur and “free market” wheeler dealer has emerged. In some cases, the new millionaires are former members of the old communist bureaucracy.

In a recent issue of the weekly *Ogonyok*, an unemployed former communist functionary wrote a letter to the editor, appealing to readers to understand his dilemma: Although he worked hard at his job and never took bribes, he has no skills. He has two possible roads to take now—either to go into manual labor, which is a dubious proposition since the coming economic reforms are going to create such high unemployment, or to *poidti v reketiry*—become a gangster.

A similar corrupt environment in Poland made possible the “Art-B” scandal last August, which rocked the shaky foundations of the Polish state. Polish police arrested seven top bankers for their role in the multimillion-dollar fraud scheme that involved the private holding company Art-B, and was linked to powerful British and Israeli financial interests. This was also the “free market” milieu from which emerged Polish presidential candidate Stanislaw Tyminski, the former head of the Canadian Libertarian Party, who carries Canadian, Peruvian, and Polish passports, and is involved in shady computer and telecommunications enterprises on three continents.

Zhirinovsky demands ‘authoritarian power’

A Russian version of Tyminski might come from the circles of Vladimir Zhirinovsky, the Liberal Democratic Party’s candidate for the presidency of the former U.S.S.R. He is a Slavophile chauvinist who calls for a President who would be given “temporary authoritarian power” to implement an emergency program.

On Oct. 31, the Russian news agency Interfax reported a prediction from Zhirinovsky that Russian President Boris Yeltsin will be out by Easter, overwhelmed by the economic crisis. Zhirinovsky claimed that, should Ukraine vote for independence on Dec. 1, it would be forced to cede parts of its territory to Russia, Germany, and Poland. “Then war is inevitable, and at that moment we’ll come to the rescue of

our Slav brothers,” he said.

While Zhirinovsky’s ratings in Russia-wide polls are currently below 10%, he is conducting quite a visible campaign for the presidency. As of mid-October, he had launched what he called an American-style presidential campaign, and announced that he intended to spend at least three days in every oblast (region) in the country.

Behind the scenes: money

It was revealed in September that Zhirinovsky’s funding came from a millionaire by the name of Andrei Zavidiya. In fact, Zhirinovsky had said that if he won, he would name Zavidiya vice president. Zavidiya, who claimed that *he* was also running for president, came across in a Sept. 28 interview in the daily *Komsomolskaya Pravda* as a rather shady wheeler-dealer along the lines of Tyminski of Poland. Like Tyminski, Zavidiya’s story of being a self-made man, who turned thousands of rubles into millions, is hard to believe; like Tyminski, he is evasive about his goals and what his firm does.

Zavidiya’s company is called “Zavidiya.” The *Komsomolskaya Pravda* correspondent noted that when he first met Zavidiya in 1988, he “was trading fruit and vegetables” and closing a deal for “the purchase of squirrel skins.”

Komsomolskaya Pravda got right to the point, by asking Zavidiya: “Do you ultimately have the money?” Zavidiya replied that his computer repair and installation firm “is a kind of coordinating, organizational, and guidance center with a vast data bank. I have . . . recorded on diskette whom I sold what to and for how much. We bring together people whose interests coincide, and take a 1% cut for ourselves—that’s all.”

When asked, “People pay you for information?” however, he replied evasively, “Not at all. . . . My name is unimpeachable in the business world. . . . To all intents and purposes I now control hundreds of billions of rubles without signing any documents.”

Zavidiya claimed he had broken with Zhirinovsky over Zhirinovsky’s “Great Russian chauvinistic sentiments,” but said that he was nevertheless the successor and follower of Zhirinovsky.

Finally, *Komsomolskaya Pravda* pointed out to the mysterious millionaire that “people are saying that the Communist Party of the Soviet Union provided the money for your company to finance [the former communist newspaper] *Sovetskaya Rossiya*.” Zavidiya denied it.

Although currently the Great Russian chauvinistic faction of Zhirinovsky and Zavidiya has very little popular support, the Russians are about to face a very grim winter, even possibly a winter of hunger. And it should be remembered that Tyminski’s role in the Polish elections was that of a spoiler, who aided in splitting the vote, thus ensuring that Lech Walesa would only squeak by to victory in the November 1990 presidential elections.